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2021 GRI REPORT

HERSHEY 

2021 Global Reporting Initiative (GRI) Report

The data in this report relates to the period from January to December 2021, unless otherwise stated. For a detailed explanation of the indicators, visit the Global Reporting Initiative (GRI) website: globalreporting.org. This content report accompanies our [2021 ESG Report](#) and has been prepared in accordance with the GRI Standards: Comprehensive option.

GRI Standard Reference GRI Disclosure 2021 Hershey Response

GENERAL DISCLOSURES

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
|-------------------------------|-----------|--|--|
| Organizational Profile | 102-1 | Name of the organization | The Hershey Company |
| | 102-2 | Activities, brands, products, and services | We are not aware of any of our products being banned in any markets where we operate and distribute. Hershey 2021 ESG Report: • The Big Picture, pages 3 – 9 See also: • 2021 Form 10-K , pages 2 – 3 |
| | 102-3 | Location of headquarters | 19 East Chocolate Avenue, Hershey, PA 17033 |
| | 102-4 | Location of operations | Hershey 2021 ESG Report: • Responsible Sourcing and Human Rights: Where We Source Our Ingredients, page 38 See also: • 2021 Form 10-K , pages 2 – 5, 17, Exhibit 21.1 |
| | 102-5 | Ownership and legal form | 2021 Form 10-K , page 2 |
| | 102-6 | Markets served | 2021 Form 10-K , pages 2 – 5 |
| | 102-7 | Scale of the organization | Hershey 2021 ESG Report: • Our Company, pages 10 – 19 See also: • 2021 Form 10-K , pages 2 – 3, 6 – 7, 24 – 25, 54 |
| | 102-8 | Information on employees and other workers | We do not have a significant portion of activities performed by workers who are not employees. The increase in global employee totals from 2020 to 2021 may be attributed to general employee population growth. Our HR analytics team manages employment data and calculates these metrics. Hershey 2021 ESG Report: • Our People: Our Progress, pages 74 – 79 See also: • 2021 Form 10-K , pages 6 – 7 |
| | 102-9 | Supply chain | Hershey 2021 ESG Report: • Responsible Sourcing and Human Rights, pages 33 – 47 See also: • 2021 Form 10-K , page 4 |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
|------------------------|-----------|--|---|
| Organizational Profile | 102-10 | Significant changes to the organization and its supply chain | 2021 Form 10-K , pages 2 – 3, 22 – 23, 64 – 67 |
| | 102-11 | Precautionary Principle or approach | 2022 Proxy Statement: Corporate Governance – Enterprise Risk Management , page 24 |
| | 102-12 | External initiatives | <p>Hershey is part of the following sustainability-related initiatives:</p> <ul style="list-style-type: none"> • AIM-Progress* • Arbor Day Foundation • Asian Americans Advancing Justice (AAAJ) • Bonsucro • CEO Action for Diversity and Inclusion™ • Cocoa & Forests Initiative • Dairy Sustainability Framework • EmbraceRace • EU Cocoa Coalition* • Fair Trade USA • Hazleton Integration Project/One Community Center • Innovation Center for U.S. Dairy's Sustainability Alliance® • International Cocoa Initiative • League of United Latin American Citizens (LULAC) • National Confectioners Association (USA)* • National Organization on Disability's Look Closer National Hiring Campaign • Palm Oil Collaboration Group • Paradigm for Parity® • People + Work Connect Platform • Rainforest Alliance • Responsible Labor Initiative* • Roundtable on Sustainable Palm Oil (RSPO) • Society of Product Licensors Committed to Excellence Social and Environmental Responsibility Committee • Sustainable Agriculture Initiative (SAI) Platform • Sustainable Dairy PA • United Nations Global Compact • World Cocoa Foundation* |
| | 102-13 | Membership of associations | <p>In addition to the list below, initiatives/organizations with * on the list above for 102-12 denote initiatives/organizations where Hershey is a member.</p> <ul style="list-style-type: none"> • Ceres Company Network • Science Based Targets Network Corporate Engagement Program • World Resources Institute (WRI) Corporate Consultative Group |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
|----------------------|-----------|--|--|
| Strategy | 102-14 | Statement from senior decision-maker | Hershey 2021 ESG Report: <ul style="list-style-type: none"> The Big Picture: A Message From Michele Buck, page 4 |
| | 102-15 | Key impacts, risks, and opportunities | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Our Company: Materiality, page 13 The Big Picture: A Message From Michele Buck, page 4 The Big Picture: Spotlight 2021, page 5 See also: <ul style="list-style-type: none"> 2021 Form 10-K, pages 9 – 16 Task Force on Climate-related Financial Disclosures (TCFD) Report |
| Ethics and Integrity | 102-16 | Values, principles, standards, and norms of behavior | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Our Company, pages 10 – 19 See also: <ul style="list-style-type: none"> 2022 Proxy Statement: The Hershey Company Purpose and Values, pages 12 – 16 Code of Conduct Supplier Code of Conduct |
| | 102-17 | Mechanisms for advice and concerns about ethics | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Our Company: Corporate Governance, pages 11 – 12 Responsible Sourcing and Human Rights: Grievance Mechanisms and Access to Remedy, page 36 See also: <ul style="list-style-type: none"> Code of Conduct Corporate Governance Ethics & Compliance: Hershey's Concern Line Procedures For Submission And Handling Of Complaints Regarding Compliance Matters Supplier Code of Conduct |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
|--------------|-----------|---|--|
| Governance | 102-18 | Governance structure | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 <p>See also:</p> <ul style="list-style-type: none"> • 2022 Proxy Statement: Corporate Governance, pages 17 – 21 • Board of Directors • Committees & Charters • Corporate Governance |
| | 102-19 | Delegating authority | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 <p>See also:</p> <ul style="list-style-type: none"> • Corporate Governance |
| | 102-20 | Executive-level responsibility for economic, environmental, and social topics | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 <p>See also:</p> <ul style="list-style-type: none"> • 2022 Proxy Statement: The Hershey Company Purpose and Values – Our Shared Goodness Promise – Board Oversight of ESG, pages 12 – 13 |
| | 102-21 | Consulting stakeholders on economic, environmental, and social topics | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 • Our Company: Materiality, page 13 <p>See also:</p> <ul style="list-style-type: none"> • 2022 Proxy Statement: Corporate Governance – Communications with Directors, page 27 |
| | 102-22 | Composition of the highest governance body and its committees | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 <p>See also:</p> <ul style="list-style-type: none"> • 2022 Proxy Statement: Our Director Nominees (page 2); Governance Highlights (pages 3 – 4); Corporate Governance, pages 17 – 27 • Board of Directors |
| | 102-23 | Chair of the highest governance body | <p>Michele Buck is the Chairman of the Board, President and Chief Executive Officer for The Hershey Company.</p> <p>See also:</p> <ul style="list-style-type: none"> • Our Leadership |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
|--------------|-----------|--|---|
| Governance | 102-24 | Nominating and selecting the highest governance body | <ul style="list-style-type: none"> • 2022 Proxy Statement: Corporate Governance—Board Composition and Criteria for Board Membership, pages 17 – 19 • Corporate Governance Guidelines • Governance Committee Charter |
| | 102-25 | Conflicts of interest | <ul style="list-style-type: none"> • Code of Conduct • Corporate Governance Guidelines • Related Person Transaction Policy |
| | 102-26 | Role of highest governance body in setting purpose, values, and strategy | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 <p>See also:</p> <ul style="list-style-type: none"> • Corporate Governance Guidelines |
| | 102-27 | Collective knowledge of highest governance body | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 <p>See also:</p> <ul style="list-style-type: none"> • Corporate Governance Guidelines |
| | 102-28 | Evaluating the highest governance body's performance | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 <p>See also:</p> <ul style="list-style-type: none"> • Corporate Governance Guidelines |
| | 102-29 | Identifying and managing economic, environmental, and social impacts | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 • Our Company: Materiality, page 13 <p>See also:</p> <ul style="list-style-type: none"> • 2022 Proxy Statement: The Hershey Company Purpose and Values, pages 12 – 16 • Corporate Governance Guidelines • Hershey's Commitment to Human Rights • Statement Against Slavery and Human Trafficking • TCFD Report |
| | 102-30 | Effectiveness of risk management processes | <ul style="list-style-type: none"> • 2022 Proxy Statement: Corporate Governance—Enterprise Risk Management, page 24 • Corporate Governance Guidelines |
| | 102-31 | Review of economic, environmental, and social topics | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 <p>See also:</p> <ul style="list-style-type: none"> • 2022 Proxy Statement: Committees of the Board, pages 21 – 23 |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
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| Governance | 102-32 | Highest governance body's role in sustainability reporting | <p>Michele Buck and Hershey's Board of Directors review Hershey's ESG Report and the material topics covered therein.</p> <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 <p>See also:</p> <ul style="list-style-type: none"> • 2022 Proxy Statement: The Hershey Company Purpose and Values, pages 12 – 16 |
| | 102-33 | Communicating critical concerns | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 <p>See also:</p> <ul style="list-style-type: none"> • 2022 Proxy Statement: Corporate Governance—Communications with Directors, page 27 |
| | 102-34 | Nature and total number of critical concerns | <p>In 2021, Hershey recorded zero cases that were deemed “critical.” Any “critical” concerns are reported to the Ethical Business Practices Committee (EBPC) and the Audit Committee pursuant to our policies and procedures.</p> <p>Compliance concerns are reported through various channels, including but not limited to: Hershey's Concern Line, business partners, Human Resources (HR), Ethics & Compliance, and other parties who have access to either the Concern Line or the Ethics & Compliance department. All concerns are managed and followed closely by the Ethics & Compliance department.</p> <p>Hershey applies severity codes to cases depending on certain parameters such as violation, potential fines and/or involvement of senior leaders. Critical concerns (red) and significant concerns (orange) are reported to the EBPC and Audit Committee for visibility.</p> <p>Issues reported to the Concern Line cover a wide array of topics, including conflicts of interest, general labor practices, employment-related concerns, potential fraud, security and requests for general advice.</p> <p>See also:</p> <ul style="list-style-type: none"> • Ethics & Compliance: Hershey's Concern Line |
| | 102-35 | Remuneration policies | <ul style="list-style-type: none"> • 2021 Form 10-K page 103 • 2022 Proxy Statement: Compensation Discussion and Analysis, pages 47 – 79 • Corporate Governance Guidelines |
| | 102-36 | Process for determining remuneration | 2022 Proxy Statement: Compensation Discussion and Analysis—Setting Compensation , page 54 |
| | 102-37 | Stakeholders' involvement in remuneration | 2022 Proxy Statement: Compensation Discussion and Analysis , page 54 |
| | 102-38 | Annual total compensation ratio | 2022 Proxy Statement: CEO Pay Ratio Disclosure , page 79 |
| | 102-39 | Percentage increase in annual total compensation ratio | 2022 Proxy Statement: Compensation Discussion and Analysis , pages 63 – 65 |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
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| Stakeholder Engagement | 102-40 | List of stakeholder groups | <p>Our key stakeholder groups include:</p> <ul style="list-style-type: none"> • Communities where we operate • Consumers • Employees • Farmers • Government and policymakers • Investors • Non-governmental organizations • Retailers • Suppliers and other business partners <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Materiality, page 13 |
| | 102-41 | Collective bargaining agreements | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our People: Providing a Caring Employee Experience, pages 65 – 66 <p>See also:</p> <ul style="list-style-type: none"> • 2021 Form 10-K, page 6 |
| | 102-42 | Identifying and selecting stakeholders | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Materiality, page 13 • Responsible Sourcing and Human Rights: Human Rights Across Our Value Chain, pages 34 – 37 |
| | 102-43 | Approach to stakeholder engagement | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Materiality, page 13 • Responsible Sourcing and Human Rights: Human Rights Across Our Value Chain, pages 34 – 37 • Responsible Sourcing and Human Rights: Responsible Sourcing, pages 39 – 42 |
| | 102-44 | Key topics and concerns raised | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Materiality, page 13 • Responsible Sourcing and Human Rights: Human Rights Across Our Value Chain, pages 34 – 37 • The Big Picture: Spotlight 2021, page 5 |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
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| Reporting Practice | 102-45 | Entities included in the consolidated financial statements | 2021 Form 10-K , page 2 |
| | 102-46 | Defining report content and topic boundaries | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Our Company: Materiality, page 13 • The Big Picture, pages 3 – 9 |
| | 102-47 | List of material topics | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Our Company: Materiality, page 13 |
| | 102-48 | Restatements of information | During 2021, there have been no corrections or restatements of information given in any of our previous financial reports. Throughout the 2021 ESG Report, restatements due to scope and/or methodology changes have been noted with footnotes where applicable. These changes are driven by Hershey's merger and acquisition activities with the addition of Lily's Sweets, LLC, Dot's Pretzels, LLC and Pretzels, Inc. Additionally, some data has been restated from past years as we expand our data-collection abilities to be more inclusive of the global scope of the company. |
| | 102-49 | Changes in reporting | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Our Company: Materiality, page 13 • The Big Picture, pages 3 – 9 |
| | 102-50 | Reporting period | This report covers the 2021 calendar year. |
| | 102-51 | Date of most recent report | May 25, 2022 |
| | 102-52 | Reporting cycle | Annual |
| | 102-53 | Contact point for questions regarding the report | sustainability@hersheys.com |
| | 102-54 | Claims of reporting in accordance with the GRI Standards | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • About This Report, page 93 |
| | 102-55 | GRI content index | Hershey 2021 GRI Report (this PDF) |
| | 102-56 | External assurance | Quantis, an independent verifier, completed a detailed verification assessment to provide assurance of some of Hershey's environmental data. See also: <ul style="list-style-type: none"> • Assurance Statement |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
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| ECONOMIC PERFORMANCE | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 • Our Company: Materiality, page 13 • The Big Picture, pages 3 – 9 See also: <ul style="list-style-type: none"> • 2021 Form 10-K, pages 24 – 25 • Corporate Governance Guidelines |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 201: Economic Performance 2016 | 201-1 | Direct economic value generated and distributed | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Our Company: Financial Performance, page 19 See also: <ul style="list-style-type: none"> • 2021 Form 10-K, pages 24 – 32 |
| | 201-2 | Financial implications and other risks and opportunities due to climate change | |
| | 201-3 | Defined benefit plan obligations and other retirement plans | <p>a) Estimated value of U.S. qualified plan liabilities as of December 31, 2021: \$968 million.</p> <p>b) The Hershey Company has a Master Retirement Plan Trust that holds the investment funds for our Pension Plan.</p> <p>i. As of December 31, 2021, the U.S. qualified plans had a 107% funded status.</p> <p>ii. This is based on the actuarial reports used to support Hershey's 2021 Form 10-K filing.</p> <p>c) Hershey's pension plan is funded entirely via employer contributions. Employee contributions are not required.</p> <p>d) Hershey's pension plan is closed to new hires, but eligible participants continue to accrue benefits.</p> See also: <ul style="list-style-type: none"> • 2021 Form 10-K, pages 39 – 40 • Hershey Careers: Benefits |
| | 201-4 | Financial assistance received from government | |

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| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 • Our Company: Materiality, page 13 • The Big Picture, pages 3 – 9 See also: <ul style="list-style-type: none"> • 2021 Form 10-K, pages 24 – 25 • Corporate Governance Guidelines |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 201: Economic Performance 2016 | 201-1 | Direct economic value generated and distributed | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Our Company: Financial Performance, page 19 See also: <ul style="list-style-type: none"> • 2021 Form 10-K, pages 24 – 32 |
| | 201-2 | Financial implications and other risks and opportunities due to climate change | |
| | 201-3 | Defined benefit plan obligations and other retirement plans | <p>a) Estimated value of U.S. qualified plan liabilities as of December 31, 2021: \$968 million.</p> <p>b) The Hershey Company has a Master Retirement Plan Trust that holds the investment funds for our Pension Plan.</p> <p>i. As of December 31, 2021, the U.S. qualified plans had a 107% funded status.</p> <p>ii. This is based on the actuarial reports used to support Hershey's 2021 Form 10-K filing.</p> <p>c) Hershey's pension plan is funded entirely via employer contributions. Employee contributions are not required.</p> <p>d) Hershey's pension plan is closed to new hires, but eligible participants continue to accrue benefits.</p> See also: <ul style="list-style-type: none"> • 2021 Form 10-K, pages 39 – 40 • Hershey Careers: Benefits |
| | 201-4 | Financial assistance received from government | |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
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MARKET PRESENCE

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| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Our Company: Materiality, page 13 • The Big Picture, pages 3 – 9 See also: <ul style="list-style-type: none"> • 2021 Form 10-K, pages 2 – 7, 19 – 102 • Corporate Governance Guidelines |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 202: Market Presence 2016 | 202-1 | Ratios of standard entry level wage by gender compared to local minimum wage | Hershey does not currently monitor or report on employee wages relative to local minimum wage, and there is no established timeline to do so. |
| | 202-2 | Proportion of senior management hired from the local community | <p>87.5% (14 local employees/16 total external hires at significant locations).</p> <p>“Senior management” is defined as individuals hired as Senior Manager and above (up to Senior Vice President within the C-Suite).</p> <p>“Local” is defined as a permanent resident at time of hire in one of the following locations in the USA: Pennsylvania, New Jersey, New York, Ohio, West Virginia, Virginia, Maryland, District of Columbia and Delaware.</p> <p>“Significant locations of operation” is defined as the following locations: 19 East Office, Amplify 19 East Office, Annville Fulfillment Center, Hazleton Plant, Hbg Intl Airport Flt Ops, HCW Visitors Center, LicensingCo 19 East Office, Reese Plant, Sales Co HCW Visitors Center, Sales Co Office Northeast, SalesCo 19 East Office, Sourcing Co 19 East Office, Sourcing Co Tech Center, Stuarts Draft Plant, Technical Center, West Hershey Plant and Y&S Lancaster Plant.</p> |

INDIRECT ECONOMIC IMPACTS

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| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Community, pages 86 – 92 • Environment, pages 48 – 61 • Our Company: Materiality, page 13 • Responsible Sourcing and Human Rights, pages 33 – 47 • The Big Picture, pages 3 – 9 |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 203: Indirect Economic Impacts 2016 | 203-1 | Infrastructure investments and services supported | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Cocoa: Cocoa For Good, page 21 • Community, pages 86 – 92 |
| | 203-2 | Significant indirect economic impacts | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Cocoa: Cocoa For Good, page 21 • Community, pages 86 – 92 • Youth, pages 80 – 85 |

GRI Standard Reference GRI Disclosure 2021 Hershey Response

PROCUREMENT PRACTICE

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| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Cocoa: Cocoa For Good, page 21 • Our Company: Materiality, page 13 • Responsible Sourcing and Human Rights, pages 33 - 47 • The Big Picture, pages 3 - 9 <p>See also:</p> <ul style="list-style-type: none"> • Cocoa • Human Rights Policy • Living Wage & Income Position Statement • Our Shared Goodness Promise • Priority Ingredients and Raw Materials • Responsible Recruiting & Employment Policy • Responsible Sourcing • Supplier Code of Conduct |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 204: Procurement Practices 2016 | 204-1 | Proportion of spending on local suppliers | Of our procurement budget in 2021, 79% was spent on local suppliers based in the same country as the Hershey facility to which they were supplying goods or services. |
| | G4-FP1 | Percentage of purchased volume from suppliers compliant with company's sourcing policy | <p>Of our purchased volume, 100% comes from suppliers who are required to adhere to the provisions of our sourcing policies and Supplier Code of Conduct.</p> <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Responsible Sourcing and Human Rights: Responsible Recruitment Program, page 43 <p>See also:</p> <ul style="list-style-type: none"> • Supplier Code of Conduct |
| | G4-FP2 | Percentage of purchased volume, which is verified as being in accordance with credible, internationally recognized responsible production standards, broken down by standard | <p>In 2021, 43% of food ingredients purchased (by cost) from Tier 1 suppliers were certified to a third-party environmental and/or social standard. These standards include Fair Trade USA, Rainforest Alliance, RSPO and Bonsucro.</p> <p>Omission: Purchase volume by standard. Reason for Omission: Confidentiality constraints. Explanation of Omission: Information regarding breakdown of purchases that are verified by responsible production standards is not reported due to commercial sensitivity.</p> <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Responsible Sourcing and Human Rights: Responsible Sourcing, pages 39 - 42 • Responsible Sourcing and Human Rights: Responsible Sourcing Ingredient Commitments and Progress, page 47 <p>See also:</p> <ul style="list-style-type: none"> • 2021 SASB Report: FB-PF-430a.1, page 5 • Responsible Sourcing • The Hershey Company RSPO Annual Communication of Progress 2020 |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
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| ANTI-CORRUPTION | | | |
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| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 • Our Company: Materiality, page 13 See also: <ul style="list-style-type: none"> • Audit Committee Charter • Code of Conduct • Ethics & Compliance: Hershey's Concern Line • Supplier Code of Conduct |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 205: Anti-Corruption 2016 | 205-1 | Operations assessed for risks related to corruption | Each quarter, representatives from every business function are required to certify, among other items, whether they have knowledge of, or concerns relating to, corruption or potential corruption. |
| | 205-2 | Communication and training about anti-corruption policies and procedures | <p>All corporate employees are required to take our Discrimination and Harassment and Code of Conduct training annually, which includes anti-corruption provisions.</p> <p>All corporate new hires complete this training during on-boarding.</p> <p>Our manufacturing employees are required to take the Code of Conduct training every other year, while certifying annually that they have read the Code of Conduct and that they understand and agree to abide by its requirements.</p> <p>All our suppliers are required to comply with our Supplier Code of Conduct and are expected to adhere to all provisions therein, including provisions on business ethics and anti-corruption. All suppliers enrolled in our Responsible Sourcing Supplier Program acknowledge our Supplier Code of Conduct on an annual basis.</p> See also: <ul style="list-style-type: none"> • Code of Conduct • Supplier Code of Conduct |
| | 205-3 | Confirmed incidents of corruption and actions taken | <p>There were no confirmed incidents of corruption in 2021.</p> See also: <ul style="list-style-type: none"> • Palm Oil Grievance Log |
| ANTI-COMPETITIVE BEHAVIOR | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | <p>Our Chief Counsel for Antitrust, our Global Trade and Customs Compliance and our Ethics & Compliance departments are responsible for overseeing our management approach.</p> Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Our Company: Materiality, page 13 • The Big Picture, pages 3 – 9 See also: <ul style="list-style-type: none"> • Code of Conduct • Procedures For Submission And Handling Of Complaints Regarding Compliance Matters • Supplier Code of Conduct |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 206: Anti-Competitive Behavior | 206-1 | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | No instances of material noncompliance with regulations concerning antitrust occurred in 2021. |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
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MATERIALS

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| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Environment: Acting on Climate Change, pages 49 – 51 Environment: Making Progress on Packaging, page 53 Our Company: Corporate Governance, pages 11 – 12 Our Company: Materiality, page 13 The Big Picture, pages 3 – 9 See also: <ul style="list-style-type: none"> Corporate Governance |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 301: Materials 2016 | 301-1 | Materials used by weight or volume | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Environment: Packaging, page 60 |
| | 301-2 | Recycled input materials used | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Environment: Packaging, page 60 The Big Picture: Progress Against Our Priority Goals, pages 7 – 8 Omission: Entire disclosure outside of North America. Reason for Omission: Information unavailable. Explanation of Omission: Recycled input materials are not currently tracked outside of North America. There are no specific plans to report these data. |
| | 301-3 | Reclaimed products and their packaging material | Hershey does not currently reclaim products or packaging. |

ENERGY

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| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Environment: Acting on Climate Change, pages 49 – 51 Our Company: Corporate Governance, pages 11 – 12 Our Company: Materiality, page 13 The Big Picture, pages 3 – 9 See also: <ul style="list-style-type: none"> Code of Conduct Environmental Policy TCFD Report |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 302: Energy 2016 | 302-1 | Energy consumption within the organization | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Environment: Energy Consumption, page 59 |
| | 302-2 | Energy consumption outside of the organization | While energy conservation is part of Hershey's climate action strategy, greenhouse gas (GHG) emissions are the most meaningful indicator for Hershey, and are the metric used. The CO ₂ equivalent of energy consumption outside of the organization is calculated and accounted for in our GHG footprint as part of our Scope 3 (value chain) emissions data. |
| | 302-3 | Energy intensity | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Environment: Energy Consumption, page 59 |
| | 302-4 | Reduction of energy consumption | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Environment: Energy Consumption, page 59 |
| | 302-5 | Reductions in energy requirements of products and services | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Environment: Energy Consumption, page 59 |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
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WATER AND EFFLUENTS

| | | | |
|--|-------|--|---|
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Environment: Our Journey to Understand Our Water Impact, page 55 Environment: Protecting Water Supplies, page 54 Environment: Water, page 61 Our Company: Corporate Governance, pages 11 – 12 Our Company: Materiality, page 13 The Big Picture, pages 3 – 9 See also: <ul style="list-style-type: none"> Corporate Governance Environmental Policy |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 303: Water 2018 | 303-1 | Interactions with water as a shared resource | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Environment: Our Journey to Understand Our Water Impact, page 55 Environment: Protecting Water Supplies, page 54 Environment: Water, page 61 |
| | 303-2 | Management of water discharge-related impacts | We comply with the water quality standards for the quality of effluent discharge established by law for each location in which Hershey operates. The profile of the receiving water body is considered to the extent required by local laws. |
| | 303-3 | Water withdrawal | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Environment: Our Journey to Understand Our Water Impact, page 55 Environment: Protecting Water Supplies, page 54 Environment: Water, page 61 |
| | 303-4 | Water discharge | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Environment: Our Journey to Understand Our Water Impact, page 55 Environment: Protecting Water Supplies, page 54 Environment: Water, page 61 |
| | 303-5 | Water consumption | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Environment: Our Journey to Understand Our Water Impact, page 55 Environment: Protecting Water Supplies, page 54 Environment: Water, page 61 |

BIODIVERSITY

| | | | |
|--|-------|--|--|
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Cocoa: Cocoa For Good, page 21 Our Company: Corporate Governance, pages 11 – 12 Our Company: Materiality, page 13 Responsible Sourcing and Human Rights: Responsible Sourcing, pages 39 – 42 The Big Picture, pages 3 – 9 See also: <ul style="list-style-type: none"> Cocoa & Forests Initiative Environmental Policy No Deforestation Policy Responsible Palm Oil Sourcing Policy Responsible Pulp and Paper Sourcing Policy |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
|-----------------------------------|-----------|---|--|
| GRI 304: Biodiversity 2016 | 304-1 | Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | <p>At Hershey-owned manufacturing facilities and distribution centers, the following percentages of the nearby landscape are considered under protection within 50 kilometers according to The World Database on Protected Areas (WDPA), which is the most comprehensive global database on terrestrial and marine protected areas. This data is up to date as of April 2022.</p> <ul style="list-style-type: none"> • Hershey, PA (manufacturing, corporate offices, distribution centers) – 0.81% • Hazleton, PA (manufacturing) – 3.07% • Lancaster, PA (manufacturing) – 0.45% • Stuarts Draft, VA (manufacturing) – 8.45% • Memphis, TN (manufacturing) – 2.56% • Robinson, IL (manufacturing) – 3.92% • Monterrey, Nuevo León, Mexico (manufacturing) – 47.29% • Guadalajara, Jalisco, Mexico (manufacturing) – 22.97% • Mandideep, Madhya Pradesh, India (manufacturing) – 0.0% • Malaysia (manufacturing) – 8.54% • São Roque, São Paulo, Brazil (manufacturing) – 34.72% • Granby, Quebec, Canada (manufacturing) – 1.74% • St. Hyacinthe, Quebec, Canada (manufacturing) – 2.20% • MWDC, IL (distribution center) – 1.26% • Ogden, UT (distribution center) – 6.56% • Gardner, KS (Dot’s Pretzels) – 0.59% • Goodyear, AZ (Dot’s Pretzels) – 11.50% • Lenexa, KS (Dot’s Pretzels) – 0.50% • Velve, ND (Dot’s Pretzels) – 0.89% • Lawrence, KS (Pretzel’s Inc.) – 0.74% • Bluffton, IN (Pretzel’s Inc.) – 0.34% • Plymouth, IN (Pretzel’s Inc.) – 1.54% <p>Omission: a. ii, iii, v: We consider the requests relating to size of company properties to be confidential.</p> |
| | 304-2 | Significant impacts of activities, products, and services on biodiversity | <p>Hershey does not yet comprehensively track value-chain-wide biodiversity impacts.</p> <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Cocoa: Fighting Deforestation, pages 29 – 30 • Environment: Acting on Climate Change, pages 49 – 51 • Responsible Sourcing and Human Rights: Responsible Sourcing, pages 39 – 42 <p>See Also:</p> <ul style="list-style-type: none"> • Palm Oil Grievance Log |
| | 304-3 | Habitats protected or restored | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Cocoa: Fighting Deforestation, pages 29 – 30 • Environment: Planting Trees Today to Benefit Tomorrow, page 52 <p>See also:</p> <ul style="list-style-type: none"> • No Deforestation Policy |

GRI Standard Reference GRI Disclosure 2021 Hershey Response

| GRI 304: Biodiversity 2016 | 304-4 | IUCN Red List species and national conservation list species with habitats in areas affected by operations | IUCN Red List species and national conservation list species with habitats within 50 kilometers of Hershey-owned manufacturing facilities and distribution centers, by level of extinction risk. | | | | | |
|-----------------------------------|-------|--|--|------------|------------|-----------------|---------------|-------|
| | | | CRITICALLY ENDANGERED | ENDANGERED | VULNERABLE | NEAR THREATENED | LEAST CONCERN | |
| | | | Arizona, USA | 3 | 4 | 9 | 11 | 616 |
| | | | Illinois, USA | 5 | 11 | 24 | 24 | 872 |
| | | | Indiana, USA | 3 | 11 | 21 | 26 | 751 |
| | | | Jalisco, Mexico | 5 | 20 | 27 | 28 | 1,047 |
| | | | Johor, Malaysia | 39 | 103 | 301 | 324 | 2,756 |
| | | | Kansas, USA | 2 | 10 | 16 | 22 | 735 |
| | | | Madhya Prades, India | 5 | 11 | 20 | 24 | 721 |
| | | | North Dakota, USA | 1 | 5 | 11 | 11 | 439 |
| | | | Nuevo León, Mexico | 4 | 13 | 21 | 25 | 856 |
| | | | Pennsylvania, USA | 5 | 7 | 22 | 28 | 773 |
| | | | Quebec, Canada | 5 | 9 | 20 | 22 | 607 |
| | | | São Paulo, Brazil | 7 | 16 | 45 | 69 | 1,625 |
| Tennessee, USA | 4 | 9 | 23 | 22 | 803 | | | |
| Utah, USA | 2 | 3 | 9 | 10 | 548 | | | |
| Virginia, USA | 3 | 5 | 19 | 22 | 709 | | | |

EMISSIONS

| | | | |
|--|-------|--|--|
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | Accountability for managing ESG and sustainability at the management level resides with our Vice President of Global Sustainability and Corporate Communications, who reports to our Chief Supply Chain Officer. |
| | 103-2 | The management approach and its components | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Environment: Acting on Climate Change, pages 49 – 51 • Our Company: Corporate Governance, pages 11 – 12 • Our Company: Materiality, page 13 • The Big Picture, pages 3 – 9 |
| | 103-3 | Evaluation of the management approach | <p>See also:</p> <ul style="list-style-type: none"> • Code of Conduct • Environmental Policy • TCFD Report |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
|--|-----------|---|--|
| GRI 305: Emissions 2016 | 305-1 | Direct (Scope 1) GHG emissions | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Environment: Acting on Climate Change, pages 49 – 51 • Environment: GHG Emissions, pages 57 – 58 • The Big Picture: Spotlight 2021, page 5 |
| | 305-2 | Energy indirect (Scope 2) GHG emissions | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Environment: Acting on Climate Change, pages 49 – 51 • Environment: GHG Emissions, pages 57 – 58 • The Big Picture: Spotlight 2021, page 5 |
| | 305-3 | Other indirect (Scope 3) GHG emissions | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Environment: Acting on Climate Change, pages 49 – 51 • Environment: GHG Emissions, pages 57 – 58 |
| | 305-4 | GHG emissions intensity | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Environment: Acting on Climate Change, pages 49 – 51 • Environment: GHG Emissions, pages 57 – 58 |
| | 305-5 | Reduction of GHG emissions | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Environment: Acting on Climate Change, pages 49 – 51 • Environment: GHG Emissions, pages 57 – 58 |
| | 305-6 | Emissions of ozone-depleting substances (ODS) | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Environment: Air Quality, page 60 |
| | 305-7 | Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Environment: Air Quality, page 60 |
| EFFLUENTS AND WASTE | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Environment: Acting on Climate Change, pages 49 – 51 • Environment: Innovating Waste Solutions, page 56 |
| | 103-2 | The management approach and its components | <ul style="list-style-type: none"> • Our Company: Materiality, page 13 • The Big Picture, pages 3 – 9 |
| | 103-3 | Evaluation of the management approach | See also: <ul style="list-style-type: none"> • Environmental Policy |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
|---|-----------|--|---|
| GRI 306: Waste 2020 | 306-1 | Waste generation and significant waste-related impacts | No impact generated by any significant actual or potential waste-related impacts. Our sites manage the waste generated according to local regulations. |
| | 306-2 | Management of significant waste-related impacts | Our sites manage the waste generated according to local regulations. Hershey 2021 ESG Report: • Environment: Innovating Waste Solutions, page 56 |
| | 306-3 | Waste generated | Hershey 2021 ESG Report: • Environment: Innovating Waste Solutions, page 56 • Environment: Waste, page 61 |
| | 306-4 | Waste diverted from disposal | Hershey 2021 ESG Report: • Environment: Innovating Waste Solutions, page 56 • Environment: Waste, page 61 |
| | 306-5 | Waste directed to disposal | Hershey 2021 ESG Report: • Environment: Innovating Waste Solutions, page 56 • Environment: Waste, page 61 |
| ENVIRONMENTAL COMPLIANCE | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | At Hershey, we expect all our suppliers to comply with our Supplier Code of Conduct and global sourcing policies, which set forth compliance expectations on environmental criteria. |
| | 103-2 | The management approach and its components | Hershey 2021 ESG Report: • Cocoa: Cocoa For Good, page 21 • Environment: Acting on Climate Change, pages 49 – 51 • Our Company: Corporate Governance, pages 11 – 12 • Our Company: Materiality, page 13 |
| | 103-3 | Evaluation of the management approach | • Responsible Sourcing and Human Rights: Responsible Sourcing, pages 39 – 42 • The Big Picture, pages 3 – 9 See also: • Cocoa • Environmental Policy • Supplier Code of Conduct |
| GRI 307: Environmental Compliance 2016 | 307-1 | Non-compliance with environmental laws and regulations | During 2021, we did not identify any noncompliance with environmental laws and/or regulations that would give rise to significant fines or sanctions. |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
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| SUPPLIER ENVIRONMENTAL ASSESSMENT | | | |
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| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Cocoa: Cocoa For Good, page 21 • Environment: Acting on Climate Change, pages 49 – 51 • Our Company: Corporate Governance, pages 11 - 12 • Our Company: Materiality, page 13 • Responsible Sourcing and Human Rights: Responsible Sourcing, pages 39 – 42 • The Big Picture, pages 3 – 9 <p>See also:</p> <ul style="list-style-type: none"> • Cocoa • Environmental Policy • No Deforestation Policy • Supplier Code of Conduct |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 308: Supplier Environmental Assessment 2016 | 308-1 | New suppliers that were screened using environmental criteria | <p>Hershey uses standard contract language in its template agreements that requires suppliers to adhere to our Supplier Code of Conduct, which outlines our expectations with respect to environmental issues. In 2021, we established an ingredient supplier and licensee pre-qualification process; we assessed 32 potential suppliers in 2021.</p> <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Responsible Sourcing and Human Rights: Responsibly Sourcing Our Goods and Services, page 39 <p>See also:</p> <ul style="list-style-type: none"> • Supplier Code of Conduct |
| | 308-2 | Negative environmental impacts in the supply chain and actions taken | <p>In 2021, we enrolled 100% of our originally identified high-risk suppliers into our Responsible Sourcing Supplier Program. Assessing environmental impact is part of the program’s due diligence.</p> <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Cocoa: Fighting Deforestation, pages 29 – 30 • Responsible Sourcing and Human Rights: Responsible Sourcing, pages 39 – 42 • Responsible Sourcing and Human Rights: Responsible Sourcing Supplier Program, pages 44 – 46 <p>See also:</p> <ul style="list-style-type: none"> • Palm Oil Grievance Log |

GRI Standard Reference GRI Disclosure 2021 Hershey Response

EMPLOYMENT

| | | | |
|--|-------|--|---|
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | <p>We have HR policies for each region in which we operate, which may vary based on local laws and regulations. Our HR Leadership team is responsible for reviewing all HR-related policies and our management approach regularly to ensure they provide an appropriate framework for the company and its employees on standards of behavior and other requirements consistent with Hershey’s practices and local requirements.</p> <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Materiality, page 13 • Our People, pages 62 – 79 • The Big Picture, pages 3 – 9 <p>See also:</p> <ul style="list-style-type: none"> • Code of Conduct |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |

| GRI 401: Employment 2016 | 401-1 | New employee hires and employee turnover | New employee hire and employee turnover – 2021 | | | | | | | | | | | | |
|---------------------------------|-------|--|---|---------|---------|---------|---------|-------|--------|--------|--------|---------------|--------|---------------------------------|-------|
| | | | AGE GROUP | | | | | | GENDER | | REGION | | | | |
| | | | <18 | 18 – 24 | 25 – 34 | 35 – 44 | 45 – 54 | 55+ | Male | Female | Asia | North America | Europe | Latin America and the Caribbean | |
| | | New employee hires | Total # | 38 | 2,548 | 2,539 | 1,480 | 827 | 438 | 3,572 | 4,298 | 205 | 3,600 | 12 | 4,053 |
| | | Total for 2021: 7,870 employees | Rate | 108.6% | 151.4% | 60.8% | 41.1% | 23.9% | 12.3% | 40.7% | 55.6% | 18.6% | 34.1% | 48.0% | 83.9% |
| | | Employee turnover | Total # | 31 | 1,998 | 2,024 | 1,132 | 578 | 758 | 2,818 | 3,703 | 244 | 2,679 | 1 | 3,597 |
| | | Total for 2021: 6,521 employees | Rate | 91.4% | 118.7% | 48.5% | 31.4% | 16.7% | 21.4% | 32.1% | 47.9% | 22.2% | 25.4% | 8.0% | 74.5% |
| | | | <p>In some instances, the hire or turnover rate may be more than 100%. This is largely attributed to seasonal part-time employment.</p> <p>For this disclosure, new employee hire and turnover data for Mexico is included in the Latin America and Caribbean region.</p> | | | | | | | | | | | | |

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| | 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | <p>The benefits Hershey provides vary depending on location and are based, in part, on local requirements with which we comply. See 202-2 for our definition of significant locations of operation.</p> <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our People: Providing a Caring Employee Experience, pages 65 – 66 <p>See also:</p> <ul style="list-style-type: none"> • 2021 Form 10-K, page 83 • Hershey Careers: Benefits |
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| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
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| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-----------|---|---|----------------|--------|-------|-------|-----------------------------------|----|----|-----|--------------------------------|---|---|---|------------------------------|----|----|----|------------------------------------|----|-----|-----|--|----|----|----|----------------------------|-----|------|-----|
| GRI 401: Employment 2016 | 401-3 | Parental leave | We adhere to all relevant laws and regulations for maternity and paternity leave globally. Outside of the U.S. individual instances of parental leave are monitored; however, they are not aggregated. There are no specific plans to aggregate this data. | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | <table border="1"> <thead> <tr> <th>Parental leave</th> <th>FEMALE</th> <th>MALE</th> <th>TOTAL</th> </tr> </thead> <tbody> <tr> <td>Entitled to parental leave</td> <td>43</td> <td>61</td> <td>104</td> </tr> <tr> <td>Took intermittent leave</td> <td>0</td> <td>8</td> <td>8</td> </tr> <tr> <td>Took continuous leave</td> <td>37</td> <td>41</td> <td>78</td> </tr> <tr> <td>Employees who did not elect</td> <td>6*</td> <td>12*</td> <td>18*</td> </tr> <tr> <td>Returned to work after parental leave</td> <td>35</td> <td>41</td> <td>76</td> </tr> <tr> <td>Return to work rate</td> <td>95%</td> <td>100%</td> <td>97%</td> </tr> </tbody> </table> | Parental leave | FEMALE | MALE | TOTAL | Entitled to parental leave | 43 | 61 | 104 | Took intermittent leave | 0 | 8 | 8 | Took continuous leave | 37 | 41 | 78 | Employees who did not elect | 6* | 12* | 18* | Returned to work after parental leave | 35 | 41 | 76 | Return to work rate | 95% | 100% | 97% |
| | | | Parental leave | FEMALE | MALE | TOTAL | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Entitled to parental leave | 43 | 61 | 104 | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Took intermittent leave | 0 | 8 | 8 | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Took continuous leave | 37 | 41 | 78 | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Employees who did not elect | 6* | 12* | 18* | | | | | | | | | | | | | | | | | | | | | | | | | |
| Returned to work after parental leave | 35 | 41 | 76 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Return to work rate | 95% | 100% | 97% | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | *Births for many of these families occurred near the end of 2021, and their opportunity to use Hershey's parental leave benefit did not begin until 2022. | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| LABOR/MANAGEMENT RELATIONS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | <p>In our unionized environments, specific grievance procedures are documented in each of the respective collective bargaining agreements. In our non-unionized environments, similar dispute-resolution mechanisms are in place for employees. Specifically, in the United States, this includes a formal peer-review program where manufacturing employees can appeal certain employment decisions to the Plant Manager or to a panel of their peers.</p> <p>Our HR department and Legal department are responsible for evaluating the handling of labor/management relations.</p> <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Materiality, page 13 • Our People, pages 62 – 79 • The Big Picture, pages 3 – 9 <p>See also:</p> <ul style="list-style-type: none"> • 2021 Form 10-K, page 103 • Code of Conduct • Corporate Governance • Ethics & Compliance: Hershey's Concern Line • Hershey's Commitment to Human Rights | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 103-2 | The management approach and its components | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 103-3 | Evaluation of the management approach | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| GRI 402: Labor/ Management Relations 2016 | 402-1 | Minimum notice periods regarding operational changes | We provide notification periods for significant changes. The exact length of time varies by the significance of the change. In unionized environments, we would meet and review with the labor representatives ahead of time. | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | GRI-FP3 | Percentage of working time lost due to industrial disputes, strikes and/or lockouts, by country | No working time was lost due to industrial disputes, strikes and/or lockouts in 2021. | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
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|---|-------|---|---|
| OCCUPATIONAL HEALTH AND SAFETY | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Materiality, page 13 • Our People: Keeping People Safe, page 64 • The Big Picture, pages 3 – 9 <p>See also:</p> <ul style="list-style-type: none"> • Code of Conduct • Corporate Governance |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 403: Occupational Health and Safety 2018 | 403-1 | Occupational health and safety management system | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our People: Keeping People Safe, page 64 |
| | 403-2 | Hazard identification, risk assessment, and incident investigation | <p>Hershey uses job hazard assessment and analysis tools to conduct risk assessments for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization. Our new Environmental, Health and Safety (EHS) information management system (SAP) allows workers to report work-related hazards and hazardous situations. Any incidents that occur are reported on our internal SAP database, which collects and tracks EHS data from our sites worldwide.</p> <p>If an injury is involved, once the employee has received any required treatment the supervisor and witnesses perform a root-cause analysis so that learnings can be incorporated into our processes and improvements can be implemented into our approach.</p> <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our People: Keeping People Safe, page 64 <p>See also:</p> <ul style="list-style-type: none"> • Code of Conduct |
| | 403-3 | Occupational health services | <p>Our manufacturing sites conduct compliance-mandated screenings and health and wellness screenings for employees. Hershey's corporate occupational health group provides guidance on occupational health screening programs to our manufacturing sites.</p> <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our People: Keeping People Safe, page 64 |
| | 403-4 | Worker participation, consultation, and communication on occupational health and safety | <p>The majority of Hershey manufacturing plants have health and safety committees that are made up of employees from across the site.</p> <p>As part of our continual improvement process, we are developing guidelines for the sites to follow in order to standardize EHS committees and to maximize employee engagement on these committees.</p> <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our People: Keeping People Safe, page 64 |
| | 403-5 | Worker training on occupational health and safety | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our People: Keeping People Safe, page 64 |
| | 403-6 | Promotion of worker health | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our People: Keeping People Safe, page 64 • Our People: Providing a Caring Employee Experience, pages 65 – 66 |
| | 403-7 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our People: Keeping People Safe, page 64 • Our People: Providing a Caring Employee Experience, pages 65 – 66 |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response | | | | | | | | | | | | | | | | |
|---|--|--|--|------|-------|--------|------|--------------|-----|-----|------|------------------|-----|-----|------|------------------|-----|-----|-----|
| GRI 403: Occupational Health and Safety 2018 | 403-8 | Workers covered by an occupational health and safety management system | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Our People: Keeping People Safe, page 64 | | | | | | | | | | | | | | | | |
| | 403-9 | Work-related injuries | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Our People: Keeping People Safe, page 64 Our People: Safety, page 79 <p>Omission: a. ii, a. iv, b. c, International commercial operations: We consider the remaining requests of this indicator to be confidential.</p> | | | | | | | | | | | | | | | | |
| | 403-10 | Work-related ill health | We had zero work-related deaths from ill health in 2021. Hershey 2021 ESG Report: <ul style="list-style-type: none"> Our People: Keeping People Safe, page 64 Our People: Safety, page 79 <p>Omission: a. ii-iii, b. ii-iii, c: We consider work-related ill health to be confidential information.</p> | | | | | | | | | | | | | | | | |
| TRAINING AND EDUCATION | | | | | | | | | | | | | | | | | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | Our Senior Vice President, Chief Human Resources Officer has strategic oversight over Hershey's HR policies and talent management. | | | | | | | | | | | | | | | | |
| | 103-2 | The management approach and its components | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Our Company: Materiality, page 13 Our People: Providing a Caring Employee Experience, pages 65 – 66 The Big Picture, pages 3 – 9 | | | | | | | | | | | | | | | | |
| | 103-3 | Evaluation of the management approach | See also: <ul style="list-style-type: none"> Code of Conduct Corporate Governance | | | | | | | | | | | | | | | | |
| GRI 404: Training and Education 2016 | 404-1 | Average hours of training per year per employee | 2021 average hours of training per year per employee <table border="1" data-bbox="848 1003 1688 1177"> <thead> <tr> <th></th> <th>TOTAL</th> <th>FEMALE</th> <th>MALE</th> </tr> </thead> <tbody> <tr> <td>Total</td> <td>9.6</td> <td>8.4</td> <td>10.6</td> </tr> <tr> <td>Full-time</td> <td>9.8</td> <td>8.6</td> <td>10.9</td> </tr> <tr> <td>Part-time</td> <td>6.7</td> <td>6.6</td> <td>6.9</td> </tr> </tbody> </table> <p>Note: The average hours of training shown above are based only on training hours logged through Hershey's Learning and Development Program. These hours do not account for outside team or individual training programs not offered through Hershey's centralized system.</p> | | TOTAL | FEMALE | MALE | Total | 9.6 | 8.4 | 10.6 | Full-time | 9.8 | 8.6 | 10.9 | Part-time | 6.7 | 6.6 | 6.9 |
| | | TOTAL | FEMALE | MALE | | | | | | | | | | | | | | | |
| | Total | 9.6 | 8.4 | 10.6 | | | | | | | | | | | | | | | |
| Full-time | 9.8 | 8.6 | 10.9 | | | | | | | | | | | | | | | | |
| Part-time | 6.7 | 6.6 | 6.9 | | | | | | | | | | | | | | | | |
| 404-2 | Programs for upgrading employee skills and transition assistance programs | Hershey 2021 ESG Report: <ul style="list-style-type: none"> Our People: More Pathways to GROW, pages 71 – 72 Our People: Providing a Caring Employee Experience, pages 65 – 66 Our People: Stronger Together, page 63 See also: <ul style="list-style-type: none"> Hershey Careers: Benefits | | | | | | | | | | | | | | | | | |
| 404-3 | Percentage of employees receiving regular performance and career development reviews | Salaried employees receive regular performance and career-development reviews. | | | | | | | | | | | | | | | | | |

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DIVERSITY AND EQUAL OPPORTUNITY

| | | | |
|--|-------|--|--|
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 • Our Company: Materiality, page 13 • Our People: Accelerating DEI Efforts at Hershey, page 67 • Responsible Sourcing and Human Rights: Human Rights Across Our Value Chain, pages 34 – 37 • The Big Picture, pages 3 – 9 <p>See also:</p> <ul style="list-style-type: none"> • 2021 Form 10-K, page 7 • 2022 Proxy Statement: The Hershey Company Purpose and Values—Our Shared Goodness Promise—Our People, page 15 • Board of Directors • Code of Conduct • Corporate Governance • Equal Employment Opportunity (EEO) Policy • Supplier Code of Conduct |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 | Diversity of governance bodies and employees | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 • Our People: Our Progress, pages 74 – 79 • The Big Picture: Spotlight 2021, page 5 |
| | 405-2 | Ratio of basic salary and remuneration of women to men | |

GRI Standard Reference GRI Disclosure 2021 Hershey Response

NON-DISCRIMINATION

| | | | |
|--|-------|--|--|
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | <p>We expect all managers to maintain a safe, respectful and inclusive climate in accordance with our company values and behaviors. Managers are expected to promptly report any concerns or allegations of discrimination or harassment. Failure to do so may result in disciplinary action. All corporate employees are required to take our Discrimination and Harassment and Code of Conduct training annually. All corporate new hires complete this training during on-boarding. Our manufacturing employees are required to take the Code of Conduct training every other year, while certifying annually that they have read the Code of Conduct and that they understand and agree to abide by its requirements. Both trainings provide in-depth information around education and awareness of, and responsiveness to, discriminatory situations.</p> <p>In 2021, we revised our Discrimination and Harassment training globally. In addition, we have an Inappropriate Conduct in the Workplace Policy and other similar policies that govern behavior in the workplace, to which all employees have access.</p> <p>We expect all employees who feel they may have experienced or witnessed discrimination to immediately report the incident(s) to their manager, another manager, HR or the Concern Line. Vendors or contractors can use the same methods for reporting. We monitor all employee issues through our compliance-reporting measures and documentation. This monitoring helps us determine any additional training or resources that may be needed.</p> <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Materiality, page 13 • Our People, pages 62 – 79 • The Big Picture, pages 3 – 9 <p>See also:</p> <ul style="list-style-type: none"> • Code of Conduct • Equal Employment Opportunity (EEO) Policy • Ethics & Compliance: Hershey's Concern Line • Supplier Code of Conduct |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 406: Non-Discrimination 2016 | 406-1 | Incidents of discrimination and corrective actions taken | <p>During 2021, in the U.S., Hershey did not have judicial or administrative determinations that it had committed any incidents of discrimination.</p> <p>At our operations in countries outside of the U.S., discrimination is treated differently under legal and cultural norms. These differences create challenges in collecting specific information to constitute a response to this disclosure. Having said that, we have no record of any judicial or administrative findings of incidents of discrimination at any of our locations.</p> |

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

| | | | |
|--|-------|--|---|
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | <p>Our HR department and Legal department are responsible for the evaluation of the management of freedom of association and collective bargaining.</p> <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Materiality, page 13 • Our People, pages 62 – 79 • Our People: Providing a Caring Employee Experience, pages 65 – 66 • The Big Picture, pages 3 – 9 <p>See also:</p> <ul style="list-style-type: none"> • 2021 Form 10-K, page 6 • Corporate Governance |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
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| GRI 407: Freedom of Association and Collective Bargaining 2016 | 407-1 | Operations and suppliers at significant risk for incidents of child labor | <p>Hershey recognizes and respects our employees' right to freedom of association and to collective bargaining within federal and local laws and regulations. In 2021, we educated employees and contested union-organizing efforts in Malaysia and Stuarts Draft.</p> <p>We maintain a Supplier Code of Conduct that sets forth our expectations of suppliers and contractors regarding key business practices, including the right of employees to freely associate.</p> <p>See also:</p> <ul style="list-style-type: none"> • Supplier Code of Conduct |
| CHILD LABOR | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Cocoa: Cocoa For Good, page 21 • Responsible Sourcing and Human Rights: Human Rights Across Our Value Chain, pages 34 – 37 • Responsible Sourcing and Human Rights: Responsible Sourcing, pages 39 – 42 • Our Company: Corporate Governance, pages 11 – 12 • Our Company: Materiality, page 13 • The Big Picture: Our ESG Priorities, page 6 <p>See also:</p> <ul style="list-style-type: none"> • Child Labor Monitoring and Remediation System • Cocoa • Hershey's Commitment to Human Rights • UNGPRF Report |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 408: Child Labor 2016 | 408-1 | Operations and suppliers at significant risk for incidents of child labor | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Cocoa: Cocoa For Good, page 21 • Responsible Sourcing and Human Rights: Human Rights Across Our Value Chain, pages 34 – 37 • The Big Picture: Progress Against Our Priority Goals, pages 7 – 8 • The Big Picture: Spotlight 2021, page 5 <p>See also:</p> <ul style="list-style-type: none"> • Child Labor Monitoring and Remediation System • Cocoa • Hershey's Commitment to Human Rights • Palm Oil Grievance Log |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
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|---|-------|--|---|
| FORCED OR COMPULSORY LABOR | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Cocoa: Cocoa For Good, page 21 • Our Company: Corporate Governance, pages 11 – 12 • Our Company: Materiality, page 13 • Responsible Sourcing and Human Rights: Human Rights Across Our Value Chain, pages 34 – 37 • The Big Picture: Our ESG Priorities, page 6 See also: <ul style="list-style-type: none"> • Child Labor Monitoring and Remediation System • Cocoa • Embedding Responsible Recruitment and Employment • Ethics & Compliance: Hershey's Concern Line • Hershey's Commitment to Human Rights • Palm Oil Grievance Process • Palm Oil Sourcing • Responsible Pulp and Paper Sourcing Policy • Responsible Recruiting & Employment Policy • Responsible Sourcing Program Guidebook • Statement Against Slavery and Human Trafficking • Supplier Code of Conduct • UNGPRF Report |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 409: Forced or Compulsory Labor 2016 | 409-1 | Operations and suppliers at significant risk for incidents of forced or compulsory labor | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Cocoa: Cocoa For Good, page 21 • Responsible Sourcing and Human Rights: Human Rights Across Our Value Chain, pages 34 – 37 • Responsible Sourcing and Human Rights: Responsible Sourcing, pages 39 – 42 • The Big Picture: Spotlight 2021, page 5 See also: <ul style="list-style-type: none"> • Child Labor Monitoring and Remediation System • Cocoa • Hershey's Commitment to Human Rights • Palm Oil Grievance Log • Palm Oil Sourcing • Responsible Recruiting & Employment Policy • Statement Against Slavery and Human Trafficking |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
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RIGHTS OF INDIGENOUS PEOPLES

| | | | |
|---|-------|--|--|
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Materiality, page 13 • Responsible Sourcing and Human Rights: Human Rights Across Our Value Chain, pages 34 – 37 • The Big Picture, pages 3 – 9 <p>See also:</p> <ul style="list-style-type: none"> • Corporate Governance • Hershey's Commitment to Human Rights • Responsible Palm Oil Sourcing Policy • Responsible Pulp and Paper Sourcing Policy • Supplier Code of Conduct |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 411: Rights of Indigenous Peoples 2016 | 411-1 | Incidents of violations involving rights of indigenous peoples | <p>In 2021, The Hershey Company identified a palm oil incident involving rights of indigenous peoples.</p> <p>See also:</p> <ul style="list-style-type: none"> • Palm Oil Grievance Log |

HUMAN RIGHTS ASSESSMENT

| | | | |
|--|-------|---|---|
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Cocoa: Cocoa For Good, page 21 • Our Company: Corporate Governance, pages 11 – 12 • Our Company: Materiality, page 13 • Responsible Sourcing and Human Rights: Human Rights Across Our Value Chain, pages 34 – 37 • Responsible Sourcing and Human Rights: Responsible Sourcing, pages 39 – 42 • The Big Picture, pages 3 – 9 <p>See also:</p> <ul style="list-style-type: none"> • Code of Conduct • Corporate Governance • Ethics & Compliance: Hershey's Concern Line • Hershey's Commitment to Human Rights • Joining Forces to Protect Human Rights • Procedures For Submission And Handling Of Complaints Regarding Compliance Matters • Responsible Sourcing Supplier Program • Supplier Code of Conduct • UNGPRF Report |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 412: Human Rights Assessment 2016 | 412-1 | Operations that have been subject to human rights reviews or impact assessments | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Cocoa: Cocoa For Good, page 21 • Responsible Sourcing and Human Rights: Human Rights Across Our Value Chain, pages 34 – 37 • Responsible Sourcing and Human Rights: Responsible Sourcing, pages 39 – 42 <p>See also:</p> <ul style="list-style-type: none"> • Hershey's Commitment to Human Rights • Statement Against Slavery and Human Trafficking |

| GRI Standard | Reference | GRI Disclosure | 2021 Hershey Response |
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| GRI 412: Human Rights Assessment 2016 | 412-2 | Employee training on human rights policies or procedures | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> Responsible Sourcing and Human Rights: Human Rights Across Our Value Chain, pages 34 – 37 <p>See also:</p> <ul style="list-style-type: none"> Code of Conduct Hershey's Commitment to Human Rights Human Rights Due Diligence: Mandatory Employee Training |
| | 412-3 | Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> Responsible Sourcing and Human Rights: Human Rights Across Our Value Chain, pages 34 – 37 <p>See also:</p> <ul style="list-style-type: none"> Corporate Governance Hershey's Commitment to Human Rights Responsible Sourcing Supplier Program Supplier Code of Conduct |
| LOCAL COMMUNITIES | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> Community, pages 86 – 92 Our Company: Corporate Governance, pages 11 – 12 Our Company: Materiality, page 13 Responsible Sourcing and Human Rights: Responsible Sourcing, pages 39 – 42 The Big Picture, pages 3 – 9 Youth, pages 80 – 85 <p>See also:</p> <ul style="list-style-type: none"> Corporate Governance |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 413: Local Communities 2016 | 413-1 | Operations with local community engagement, impact assessments, and development programs | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> Community, pages 86 – 92 Youth, pages 80 – 85 <p>See also:</p> <ul style="list-style-type: none"> Community Impact |
| | 413-2 | Operations with significant actual and potential negative impacts on local communities | |

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SUPPLIER SOCIAL ASSESSMENT

| | | | |
|---|-------|---|--|
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Cocoa: Cocoa For Good, page 21 • Our Company: Corporate Governance, pages 11 – 12 • Our Company: Materiality, page 13 • Responsible Sourcing and Human Rights: Human Rights Across Our Value Chain, pages 34 – 37 • Responsible Sourcing and Human Rights: Where We Source Our Ingredients, page 38 • The Big Picture, pages 3 – 9 <p>See also:</p> <ul style="list-style-type: none"> • Human Rights Due Diligence • Responsible Recruiting & Employment Policy • Responsible Sourcing • Responsible Sourcing Supplier Program • Supplier Code of Conduct |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 414: Supplier Social Assessment 2016 | 414-1 | New suppliers that were screened using social criteria | <p>All Hershey commercial contracts include language that requires suppliers to adhere to our Supplier Code of Conduct, which outlines our expectations with respect to social issues. In 2021, we established an ingredient supplier and licensee pre-qualification process; we assessed 32 potential suppliers in 2021.</p> <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Responsible Sourcing and Human Rights: Human Rights Across Our Value Chain, pages 34 – 37 <p>See also:</p> <ul style="list-style-type: none"> • Responsible Sourcing Supplier Program • Supplier Code of Conduct |
| | 414-2 | Negative social impacts in the supply chain and actions taken | <p>In 2021, we enrolled 100% of our originally identified high-risk suppliers into our Responsible Sourcing Supplier Program. Assessing social impact is part of the program’s due diligence.</p> <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Responsible Sourcing and Human Rights: Human Rights Across Our Value Chain, pages 34 – 37 • Responsible Sourcing and Human Rights: Our Progress, pages 43 – 47 • Responsible Sourcing and Human Rights: Responsible Sourcing, pages 39 – 42 <p>See also:</p> <ul style="list-style-type: none"> • Palm Oil Grievance Log |

PUBLIC POLICY

| | | | |
|--|-------|--|---|
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 • The Big Picture, pages 3 – 9 <p>See also:</p> <ul style="list-style-type: none"> • Advocacy Expenditure Reports • Corporate Governance • Lobbying Disclosure Act Database • Political Action Committee Annual Report 2021 |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 415: Public Policy 2016 | 415-1 | Political contributions | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Lobbying and Transparent Policy, page 12 <p>See also:</p> <ul style="list-style-type: none"> • Advocacy Expenditure Reports • Code of Conduct • Political Action Committee Annual Report 2021 |

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| CUSTOMER HEALTH AND SAFETY | | | |
|---|---------|---|--|
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Excellence in Food Safety, page 16 • Our Company: Materiality, page 13 • Our Company: Nutrition, Innovation, Choice and Transparency, page 15 • The Big Picture, pages 3 – 9 <p>See also:</p> <ul style="list-style-type: none"> • 2021 Form 10-K, pages 5 – 6 • Code of Conduct • Packaging Supplier Quality Expectations Manual • Supplier Code of Conduct • Supplier Quality Expectations Manual |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 416: Customer Health and Safety 2016 | 416-1 | Assessment of the health and safety impacts of product and service categories | <p>100% of our products are designed and produced under a “hazard analysis and risk-based preventive controls” approach.</p> <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Excellence in Food Safety, page 16 • Our Company: Nutrition, Innovation, Choice and Transparency, page 15 |
| | 416-2 | Incidents of non-compliance concerning the health and safety impacts of products and services | <p>On a global basis, Hershey conducted one recall of its products during 2021, for a single production code of <i>HERSHEY'S</i> Chocolate Shell Topping. The recall was due to an undeclared almond ingredient and included 4,850 cases, equivalent to 5.98 metric tons of product.</p> |
| | GRI-FP5 | Percentage of production volume manufactured in sites certified by an independent third-party according to internationally recognized food safety management system standards | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Excellence in Food Safety, page 16 • Our Company: Nutrition, Innovation, Choice and Transparency, page 15 |
| | GRI-FP6 | Percentage of total sales volume of consumer products, by product category, that are lowered in saturated fat, trans fats, sodium and added sugars | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Food Safety and Nutrition, page 19 |
| | GRI-FP7 | Percentage of total sales volume of consumer products, by product category, that contain increased nutritious ingredients like fiber, vitamins, minerals, phytochemicals or functional food additives | <p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> • Our Company: Food Safety and Nutrition, page 19 |

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MARKETING AND LABELING

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| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | Our Consumer Relations department reviews and answers all consumer-related questions and concerns about the ingredients and labeling on our products. It also proactively reviews social media posts and engages with individual consumers to ensure our labeling and marketing practices align with their expectations. |
| | 103-2 | The management approach and its components | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Our Company: Excellence in Food Safety, page 16 • Our Company: Marketing Responsibly, page 17 • Our Company: Materiality, page 13 • Our Company: Nutrition, Innovation, Choice and Transparency, page 15 • The Big Picture, pages 3 – 9 |
| | 103-3 | Evaluation of the management approach | See also: <ul style="list-style-type: none"> • Children’s Food and Beverage Advertising Initiative: The Hershey Company Pledge • Corporate Governance • SmartLabel™ • The Ingredients Inside your Favorite Hershey Products |
| GRI 417: Marketing and Labeling 2016 | 417-1 | Requirements for product and service information and labeling | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Our Company: Marketing Responsibly, page 17 • Our Company: Nutrition, Innovation, Choice and Transparency, page 15 See also: <ul style="list-style-type: none"> • Position Statement on GMO Disclosures • SmartLabel™ |
| | 417-2 | Incidents of non-compliance concerning product and service information and labeling | There have been no material noncompliances with labeling laws or regulations. |
| | 417-3 | Incidents of non-compliance concerning marketing communications | There have been no material noncompliances concerning marketing communications. |

CUSTOMER PRIVACY

| | | | |
|--|-------|--|--|
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 • Our Company: Materiality, page 13 • Our Company: Staying Agile Through Change, page 18 • The Big Picture, pages 3 – 9 See also: <ul style="list-style-type: none"> • Code of Conduct • Corporate Governance • Hershey Website Privacy Policy |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 418: Customer Privacy 2016 | 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | Hershey has not received any substantiated complaints concerning breaches of customer privacy. |

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SOCIOECONOMIC COMPLIANCE

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|---|-------|--|---|
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 • Our Company: Materiality, page 13 • The Big Picture, pages 3 – 9 See also: <ul style="list-style-type: none"> • Code of Conduct • Corporate Governance • Hershey's Commitment to Human Rights • Procedures For Submission And Handling Of Complaints Regarding Compliance Matters • Supplier Code of Conduct |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| GRI 419: Socioeconomic Compliance 2016 | 419-1 | Non-compliance with laws and regulations in the social and economic area | We had no material fines or non-monetary sanctions for noncompliance with laws and/or regulations in the social and economic area. |

ANIMAL WELFARE

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|--|----------|---|---|
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundaries | Hershey 2021 ESG Report: <ul style="list-style-type: none"> • Our Company: Corporate Governance, pages 11 – 12 • Our Company: Materiality, page 13 • The Big Picture, pages 3 – 9 See also: <ul style="list-style-type: none"> • Corporate Governance • Farm Animal Welfare Position |
| | 103-2 | The management approach and its components | |
| | 103-3 | Evaluation of the management approach | |
| Animal Welfare | GRI-FP12 | Policies and practices on antibiotic, anti-inflammatory, hormone, and/or growth promotion treatments, by species and breed type | <ul style="list-style-type: none"> • Animal Welfare • Dairy Sourcing • Farm Animal Welfare Position |