

# Double Materiality Assessment



We regularly evaluate our sustainability strategy to ensure we prioritize our time and investments on the issues that matter most to our business and stakeholders.

In 2024, we refreshed our double materiality assessment (DMA) to consider both the impacts of our business on society and the environment (impact materiality) and how sustainability topics potentially affect our Company in the form of business risks and opportunities (financial materiality).

Through our DMA methodology, we then scored and ranked the most material topics for our business, to ensure we remain focused on the most material topics across our value chain.

## Double Materiality Assessment Methodology

Hershey completed a four stage process:

1. Understanding – assessed the full value chain, business activities and key stakeholders to understand potential sustainability issues for consideration
2. Identification – identified impacts, risks and opportunities (IROs) across the value chain and validated results with key stakeholders and subject matter experts
3. Assessment – reviewed IROs and determined materiality score based on the average of scores across underlying dimensions, including financial magnitude and likelihood for risks and opportunities, and severity and likelihood for impacts
4. Determination – determined list of material issues based on quantitative materiality threshold.

## Double Materiality Assessment Results

The assessment identified 18 material topics from an extensive list of sustainability issues. These topics remain a core part of our strategy and reaffirm that we are focused on the issues most material to our business.

