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2021 SASB INDEX



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TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	2021 HERSHEY RESPONSE
Energy Management	(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	FB-PF-130a.1	Hershey 2021 ESG Report: • Environment: Energy Consumption, page 59
	(1) Total water withdrawn (2) Total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Cubic meters (m ³), Percentage (%)	FB-PF-140a.1	(1) 5,829 million liters water withdrawn in 2021 (11% in regions of extremely high baseline water stress, 1% in areas of high baseline water stress) (2) 914 million liters water consumed in 2021 (46% in regions of extremely high baseline water stress, 2% in areas of high baseline water stress) The 2021 data represents Hershey's global manufacturing facilities and owned U.S. distribution centers and corporate offices.
		Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	Quantitative	Number	FB-PF-140a.2
Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	n/a	FB-PF-140a.3	Hershey 2021 ESG Report: • Environment: Our Journey to Understand Our Water Impact, page 55 • Environment: Protecting Water Supplies, page 54	
Food Safety	Global Food Safety Initiative (GFSI) audit (1) Non-conformance rate and (2) Associated corrective action rate for (a) major and (b) minor non-conformances	Quantitative	Rate	FB-PF-250a.1	Hershey 2021 ESG Report: • Our Company: Excellence in Food Safety, page 16 All Hershey-owned manufacturing facilities were certified against a recognized GFSI standard. As such, all facilities are audited annually to assess compliance against the provisions of the standards. In all, 14 facilities were certified against a GFSI standard in 2021. (This does not include Dot's Pretzels, LLC or Pretzels Inc., which were acquired at the end of 2021.) Major nonconformances identified: 0 Major nonconformance rate: 0.0 Minor nonconformances identified: 22 Minor nonconformance rate: 2.0 Corrective actions were implemented for 100% of the minor nonconformances identified and submitted to and accepted by the GFSI certifying body for confirmation.
	Percentage of ingredients sourced from Tier 1 supplier facilities certified to a Global Food Safety Initiative (GFSI) recognized food safety certification program	Quantitative	Percentage (%) by cost	FB-PF-250a.2	Hershey 2021 ESG Report: • Our Company: Excellence in Food Safety, page 16
	(1) Total number of notices of food safety violation received (2) Percentage corrected	Quantitative	Number, Percentage (%)	FB-PF-250a.3	On a global basis, Hershey received no notices of food safety violations during 2021. Since there were no notices of food safety violations received, none needed to be corrected.
	(1) Number of recalls issued (2) Total amount of food product recalled	Quantitative	Number, Metric tons (t)	FB-PF-250a.4	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.

2021 SASB Index

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	2021 HERSHEY RESPONSE
Health & Nutrition	Revenue from products labeled and/or marketed to promote health and nutrition attributes	Quantitative	Reporting currency	FB-PF-260a.1	<p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> Our Company: Food Safety and Nutrition, page 19
	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	Discussion and Analysis	n/a	FB-PF-260a.2	<p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> Our Company: Nutrition, Innovation, Choice and Transparency, page 15 <p>We maintain a Food Claims Review Council in the U.S. providing guidance on a wide variety of topics, including nutrition, ingredients, sustainability, responsible sourcing and product certifications.</p> <p>Research from the 2021 International Food Information Council’s Food and Health Survey indicates that 72% of consumers are looking to limit or avoid sugar. In 2021, Hershey re-launched our Zero Sugar Candy portfolio with updated packaging and branding. Throughout development of the updated packaging, the project team met frequently with the Food Claims Review Council to ensure that all the claims and required labeling elements comply with applicable law and regulations. This involved a critical review of all recipes, ingredients and supplier information. Members of the cross-functional project team are in attendance for these review meetings and obtain feedback from legal, regulatory and nutrition professionals as part of this process.</p> <p>We are also committed to offering consumers a wide range of choices to meet their preferences and lifestyle needs. To that end, Hershey recently launched Organic <i>HERSHEY’S</i> Milk Chocolate Bar, Organic <i>HERSHEY’S SPECIAL DARK</i> Mildly Sweet Chocolate Bar and Organic <i>REESE’S</i> Peanut Butter Cups. As part of the development of these products, the Food Claims Review Council worked closely with the product development teams to ensure that the products meet or exceed the standards of the relevant third-party certifying bodies (e.g., U.S. Department of Agriculture (USDA) Organic and Non-GMO Project Verified).</p>

2021 SASB Index

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	2021 HERSHEY RESPONSE
Product Labeling & Marketing	Percentage of advertising impressions (1) Made on children and (2) Made on children promoting products that meet dietary guidelines	Quantitative	Percentage (%)	FB-PF-270a.1	Hershey 2021 ESG Report: <ul style="list-style-type: none"> Our Company: Marketing Responsibly, page 17
	Revenue from products labeled as (1) Containing genetically modified organisms (GMOs) and (2) Non-GMO	Quantitative	Reporting currency	FB-PF-270a.2	2021 Net revenue from products labeled as non-GMO certified: \$412.46 million This result includes non-GMO confectionery and salty snack products.
	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	Quantitative	Number	FB-PF-270a.3	Hershey 2021 ESG Report: <ul style="list-style-type: none"> Responsible Sourcing and Human Rights: Supplier Program 2021 Top Noncompliance Issue Categories, page 46 Responsible Sourcing and Human Rights: Supplier Program Audit Results, page 45 <p>In 2021, there were no material noncompliances with labeling laws or regulations.</p>
	Total amount of monetary losses as a result of legal proceedings associated with labeling and/or marketing practices	Quantitative	Reporting currency	FB-PF-270a.4	In calendar year 2021, the company resolved three legal proceedings associated with marketing and/or labeling practices for a total of \$153,955.42. Two of the proceedings were resolved through settlements in which there was no finding of liability against the company. The third matter involved a local government agency's assessment of a nominal penalty for an alleged violation of the country's advertising law. In all three matters, specific corrective actions by the company were unnecessary.
Packaging Lifecycle Management	(1) Total weight of packaging (2) Percentage made from recycled and/or renewable materials, and (3) Percentage that is recyclable, reusable, and/or compostable	Quantitative	Metric tons (t), Percentage (%)	FB-PF-410a.1	Hershey 2021 ESG Report: <ul style="list-style-type: none"> Environment: Goals, page 57 Environment: Innovating Waste Solutions, page 56 Environment: Packaging, page 60
	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Discussion and Analysis	n/a	FB-PF-410a.2	Hershey 2021 ESG Report: <ul style="list-style-type: none"> Environment: Making Progress on Packaging, page 53

2021 SASB Index

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Environmental & Social Impacts of Ingredient Supply Chain	Percentage of food ingredients sourced that are certified to third-party environmental and/or social standards, and percentages by standard	Quantitative	Percentage (%) by cost	FB-PF-430a.1	<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>In 2021, 43% of total food ingredients purchased (by cost) from Tier 1 suppliers have been certified to a third-party environmental and/or social standard.</p> <p>Cocoa: 100% of cocoa products purchased (by cost) from Tier 1 suppliers are certified to UTZ, Rainforest Alliance or Fair Trade USA as well as supplier standards meeting the international ISO/CEN criteria. For this SASB disclosure, only cocoa products purchased (by cost) certified to UTZ, Rainforest Alliance or Fair Trade USA were included.</p> <p>Sugar: 62% of sugar purchased (by cost) from Tier 1 suppliers is certified to the Bonsucro mass balance Chain of Custody Standard or are covered by Bonsucro credits.</p> <p>Palm Oil: 100% of palm products purchased (by cost) from Tier 1 suppliers are certified to the RSPO mass balance model.</p> <p>Coconut: 95% of coconut purchased (by cost) from Tier 1 suppliers is certified to the Fair Trade USA standard.</p> <p>Eggs: 95% of the eggs purchased (by cost) from Tier 1 suppliers are certified Cage-Free to the American Humane Certified standard.</p>
	Suppliers' social and environmental responsibility audit (1) Non-conformance rate and (2) Associated corrective action rate for (a) major and (b) minor non-conformances	Quantitative	Rate	FB-PF-430a.2	<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: Supplier Program Audit Results, page 45 <p>See also: Hershey's Supplier Code of Conduct</p>
Ingredient Sourcing	Percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress	Quantitative	Percentage (%) by cost	FB-PF-440a.1	<p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> Environment: Our Journey to Understand Our Water Impact, page 55
	List of priority food ingredients and discussion of sourcing risks due to environmental and social considerations	Discussion and Analysis	n/a	FB-PF-440a.2	<p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> Responsible Sourcing and Human Rights: Fostering Sustainable Agricultural Communities Through Our Priority Ingredients, pages 40 – 42

ACTIVITY METRIC	CATEGORY	UNIT OF MEASURE	CODE	2021 HERSHEY RESPONSE
Weight of Products Sold	Quantitative	Metric tons (t)	FB-PF-000.A	<p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> Our Company: Financial Performance, page 19
Number of Production Facilities	Quantitative	Number	FB-PF-000.B	<p>Hershey 2021 ESG Report:</p> <ul style="list-style-type: none"> Our Company: Financial Performance, page 19