



Ernst & Young LLP
One Commerce Square
Suite 700
2005 Market Street
Philadelphia, PA 19103

Tel: +1 215 448 5000
Fax: +1 215 448 5500
ey.com

Independent Accountants' Review Report

To the Management of The Hershey Company

We have reviewed The Hershey Company's ("Hershey") Schedule of Select Sustainability Indicators (the "Subject Matter") included in Appendix A for the year ended December 31, 2022 in accordance with the criteria also set forth in Appendix A (the "Criteria"). Hershey's management is responsible for the Subject Matter in accordance with the Criteria. Our responsibility is to express a conclusion on the Subject Matter based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) AT-C section 105, *Concepts Common to All Attestation Engagements*, and AT-C section 210, *Review Engagements*. Those standards require that we plan and perform our review to obtain limited assurance about whether any material modifications should be made to the Subject Matter in order for it to be in accordance with the Criteria. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether the Subject Matter is in accordance with the Criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. As such, a review does not provide assurance that we became aware of all significant matters that would be disclosed in an examination. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent of Hershey and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review engagement. Additionally, we have complied with the other ethical requirements set forth in the Code of Professional Conduct and applied the Statements on Quality Control Standards established by the AICPA.

The procedures we performed were based on our professional judgment. Our review consisted principally of applying analytical procedures, making inquiries of persons responsible for the subject matter, obtaining an understanding of the data management systems and processes used to generate, aggregate and report the Subject Matter and performing such other procedures as we considered necessary in the circumstances.

As described in Appendix A, the Subject Matter is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

The information included in Hershey's ESG Report, other than the Subject Matter, has not been subjected to the procedures applied in our review and, accordingly, we express no conclusion on it.

Based on our review, we are not aware of any material modifications that should be made to the schedule of select sustainability indicators for the year ended December 31, 2022 in order for it to be in accordance with the Criteria.

April 27, 2023



Appendix A – The Hershey Company Schedules of Selected Sustainability Indicators

Schedule of Select Environmental Metrics for the year ended December 31, 2022

| Indicator name ¹ | Reported value | Units of measure | Criteria | Reporting Boundary |
|-----------------------------------------------------------------------------------------------------------------------------------------------|----------------|------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| Energy consumption within the organization | | | | Hershey selected an organizational boundary based on the company's operational control. ² |
| Total direct energy consumption ³ | 5,683,133 | Gigajoules (GJ) | Hershey calculates total energy consumption as the total energy from all sources including energy purchased from sources external to the entity and energy produced by the entity itself (self-generated). This includes direct fuel usage, purchased electricity, purchased heating, purchased cooling and purchased steam. | |
| Percent of total electricity consumption that is supplied as grid electricity ⁴ | 22.99% | Percentage (%) | Hershey calculates the percent of total electricity consumption that is supplied as grid electricity as the total purchased grid electricity consumption divided by total electricity consumption. | |
| Percent of total electricity consumption that is identified as renewable electricity ⁵ | 25.47% | Percentage (%) | Hershey calculates the total electricity consumption that is identified as renewable electricity as the total renewable electricity purchased divided by total electricity consumption. | |
| Percent of total electricity consumption that is covered by the purchase of a zero-emissions energy based contractual instrument ⁶ | 51.54% | Percentage (%) | The Company calculates the total electricity consumption that is covered by the purchase of a zero-emissions energy based contractual instrument as the total energy purchased through zero-emissions energy based contractual instruments divided by total electricity consumption. | |

¹ For facilities that do not receive invoices or meter readings necessary to obtain actual energy consumption, Hershey utilizes an estimation methodology that considers historical and known data. This methodology is utilized for smaller offices and is not considered material to Hershey's reported energy and electricity consumption.

² The reporting boundary of the Subject Matter within the Schedule includes all global facilities and offices under the operational control of Hershey. The reporting boundary includes all Dot's Pretzels and Pretzels, Inc. facilities acquired during 2021.

³ Total direct energy consumption includes natural gas, coal, gasoline, jet fuel, oil #2, coal, propane, and biogenic sources and aligns with the sources and energy consumption included in the calculation of Scope 1 GHG emissions.

⁴ Grid electricity is defined as electricity provided and consumed by the Company through connection with a third-party utility provider. This excludes third-party auxiliary power providers, such as direct line transmission from renewable sources of energy.

⁵ Renewable electricity consists of both contractual instruments and electricity from renewable sources of energy provided through direct line transmission. The contractual instruments align with the WRI/WBCSD GHG Protocol Scope 2 Guidance Quality Criteria and are derived from renewable energy. Renewable energy is defined by the Company as sources that are replenished at a rate greater than or equal to their rate of depletion (i.e., geothermal, wind, solar, and hydro). In certain instances, the retirement of these contractual instruments may occur subsequent to the date of this report. When this is the case, the contractual instrument has a set date for retirement or is contractually obligated to be retired. Direct line renewable electricity is purchased by the Company directly as renewable electricity maintaining the related emissions attributes. The renewable energy based contractual instruments and the direct line renewable electricity used in this indicator are included in the Scope 2 MBM GHG emissions calculation.

⁶ Zero-emissions energy based contractual instruments are defined as contractual instruments that align with the WRI/WBCSD GHG Protocol Scope 2 Guidance Quality Criteria but fail to meet the definition of renewable energy. Most commonly this energy is contractual instruments linked to nuclear energy. The zero-emissions energy based contractual instruments used in this indicator are included in the Scope 2 MBM GHG emissions calculation.



**Schedule of
Select Environmental Metrics
for the year ended December 31, 2022**

| Indicator name⁷ | Reported value | Units of measure | Criteria | Reporting Boundary |
|---------------------------------------------------------------------------|-----------------------|-----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|
| Scope 1 (Direct) Greenhouse Gas (GHG) Emissions ^{8,9,10} | 179,211 | Metric tonnes carbon dioxide equivalents (MT CO ₂ e) | World Resources Institute (“WRI”) / World Business Council for Sustainable Development’s (“WBCSD”) The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (GHG Protocol) and WRI WBCSD GHG Protocol Scope 2 Guidance: An Amendment to the GHG Protocol Corporate Standard | Hershey selected an organizational boundary based on the company’s operational control. ¹¹ |
| Scope 2 (Indirect) GHG Emissions, market-based method ^{12,13,14} | 68,639 | MT CO ₂ e | The GHG Protocol and WRI WBCSD GHG Protocol Scope 2 Guidance: An Amendment to the GHG Protocol Corporate Standard | |
| Scope 2 (Indirect) GHG Emissions, location-based method ^{12,13} | 232,579 | MT CO ₂ e | | |

⁷ For facilities that do not receive invoices or meter readings necessary to obtain actual energy consumption, Hershey utilizes an estimation methodology that considers historical and known data. This methodology is utilized for smaller offices and is not considered material to Hershey’s reported GHG emissions.

⁸ Scope 1 GHG emissions includes natural gas, refrigerants, coal, gasoline, jet fuel, oil #2, coal, propane, and biogenic emissions for CH₄ and N₂O.

⁹ Gases included in the reporting boundary are CO₂, CH₄ and N₂O. Additional greenhouse gases include HFCs and PFCs used in refrigerants. The majority of the reported CO₂e emissions are from CO₂ with the remainder being composed of CH₄ and N₂O, HFCs, PFCs, SF₆ and NF₃.

¹⁰ Hershey calculates their Scope 1 GHG emissions inclusive of company-owned passenger vehicles. In certain regions, the exact fuel consumed as part of Hershey’s operational boundary holds a degree of uncertainty. As a result, Hershey leverages estimation based upon known historical data in order to maintain a representative footprint of their Scope 1 GHG emissions.

¹¹ The reporting boundary of the Subject Matter includes all global facilities and offices under the operational control of Hershey. The reporting boundary includes all Dot’s Pretzels and Pretzels, Inc. facilities acquired during 2021.

¹² Hershey applies The GHG Protocol Scope 2 Guidance for both the market-based and the location-based emissions by multiplying purchased electricity by the emissions factors indicated in the table in the notes section titled “Sources of emissions factors and global warming potentials.”

¹³ GHG emissions – Scope 2 indirect emissions includes the following gases: CO₂, CH₄ and N₂O in the reporting boundary. The vast majority of the reported CO₂e emissions are from CO₂ with the remainder being composed of CH₄ and N₂O, noting that HFCs, PFCs, SF₆ and NF₃ are not material to the Company’s emissions.

¹⁴ For some Hershey owned facilities, renewable energy attributes and zero-emissions attributes are purchased as contractual instruments. These attributes are registered and retired in an energy market’s attribute tracking system. In certain instances, the retirement of these contractual instruments may occur subsequent to the date of this report. When this is the case, the contractual instrument has a set date for retirement or is contractually obligated to be retired. The company adjusts its Scope 2 MBM emissions as recommended by the GHG Protocol Scope 2 Guidance by treating the underlying power associated with the attributes as null power in the calculation of Scope 2 MBM emissions.



Note on Non-financial Reporting:

Non-financial information is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurements techniques may also vary.



Note on Sources of emissions factors and global warming potentials:

| Indicator name | Emissions factors | Global warming potentials |
|------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|
| GHG emissions – Scope 1 | 2022 UK Department for Environment, Food and Rural Affairs (DEFRA) Greenhouse gas reporting: Conversion factors as of September 20, 2022 | 2014 IPCC Fourth Assessment Report |
| GHG emissions – Scope 2 (market-based) | 2022 International Energy Agency (IEA) Data Services 2022 Edison Electric Institute (EEI) Electric Company Carbon Emissions and Electricity Mix Reporting Database for Corporate Customers 2021 Green-e Energy Residual Mix Emissions Rates ¹⁵ 2021 Data Year RE-DISS Residual Mix Emissions Rates for Europe Mexico Emission Factor of the National Electrical System 2021 Hydro-Quebec CO ₂ Emissions 2021 Malaysia Sustainable Energy Development Authority 2016 2022 Central Electricity Authority of India: Tool to Calculate the Emission Factor for an Electricity System – Version 7.0 Other supplier specific emissions factors | |
| GHG emissions – Scope 2 (location-based) | 2021 The Emissions & Generation Resource Integrated Database (eGRID) 2022 factors, International Energy Agency (IEA) Data Services | |

¹⁵ The emission factors applied to electricity consumption in the U.S. is the Green-e residual mix emission factor, which is an adjusted grid-average emission factor that accounts for all unique Green-e Energy certified sales. A complete adjusted emission factor (i.e., residual mix that accounts for all voluntary renewable energy claimed) is not available for the U.S. at this time.



Note on Sources of conversion factors:

| Indicator name | Conversion factors |
|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Total energy Consumption | U.S. Energy Information Administration (EIA) Unit Energy Conversion Calculator U.S. Environmental Protection Agency (EPA) Natural Gas Conversions British Oil and Gas Company (BP) – Statistical Review of World Energy – Approximate Conversion Factors |