HERSHEY

CAGNY 2022 Conference

February 24, 2022

Michele Buck

Chief Executive Officer

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Forward-Looking Statements

This presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Many of these forward-looking statements can be identified by the use of words such as "anticipate," "assume," "believe," "continue," "estimate," "expect," "forecast," "future," "intend," "plan," "potential," "predict," "project," "strategy," "target" and similar terms, and future or conditional tense verbs like "could," "may," "might," "should," "will" and "would," among others. These statements are made based upon current expectations that are subject to risks and uncertainties. Because actual results may differ materially from those contained in the forward-looking statements, you should not place undue reliance on the forward-looking statements when deciding whether to buy, sell or hold the company's securities. Factors that could cause results to differ materially include, but are not limited to: risks related to the impact of the COVID-19 global pandemic on our business, suppliers, distributors, consumers, customers, and employees; the scope and duration of the pandemic; government actions and restrictive measures implemented in response to the pandemic, including the distribution of vaccinations and continuation of social distancing guidelines and stay at home orders; disruptions or inefficiencies in our supply chain due to the loss or disruption of essential manufacturing or supply elements or other factors; issues or concerns related to the quality and safety of our products, ingredients or packaging, human and workplace rights, and other environmental, social or governance matters; risks associated with climate change and other environmental impacts; changes in raw material and other costs, along with the availability of adequate supplies of raw materials; the company's ability to successfully execute business continuity plans to address the COVID-19 pandemic and resulting changes in consumer preferences and the broader economic and operating environment; selling price increases, including volume declines associated with pricing elasticity; market demand for our new and existing products; increased marketplace competition; failure to successfully execute and integrate acquisitions, divestitures and joint ventures; changes in governmental laws and regulations, including taxes; political, economic, and/or financial market conditions; risks and uncertainties related to our international operations; disruptions, failures or security breaches of our information technology infrastructure; our ability to hire, engage and retain a talented global workforce; our ability to realize expected cost savings and operating efficiencies associated with strategic initiatives or restructuring programs; complications with the design or implementation of our new enterprise resource planning system; and such other matters as discussed in our Annual Report on Form 10-K for the year ended December 31, 2021. All information in this presentation is as of February 24, 2022. The company undertakes no duty to update any forward-looking statement to conform the statement to actual results or changes in the company's expectations.

Key Takeaways

We had a strong foundation pre-pandemic

We invested and further transformed our business over the past 2 years

We are well positioned to deliver advantaged results in the future

Execution + Transformation

2017

Reignite confection growth	Accelerate diversification	Transform the operating model
✓	✓	✓

2021

+4.1%

4-Year Retail Sales CAGR

Category Share +100bps

5

brands acquired

~$1B retail sales,

with growth of ~30% in 2021

SKINNYPOP POPCORN · PIRATE'S BOOTY · ONE · LILY'S · Dot's Homestyle Snacks

- International profit +~$120M vs '17
- Faster decision-making
- Enhanced talent development
- Expanded ESG commitments

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Source: IRI 5 years ending 12/31/21, Hershey Financials

Strong Foundation

Beloved Brands in Great Categories

2 of the **most loved** brands in the U.S.

#2 in **U.S. Snacking**

+4% Projected Category Growth

Advantaged Capabilities

#1 Sales, Category Management and Supply Chain

Agile and efficient content development

Advanced Targeting and Media Analytics

Leading Financials

#1 **Gross Margin** in S&P Food

#1 **Operating Profit Margin** in S&P Food

93% **3-YR Cumulative Total Shareholder Return,** 2.3x S&P Food Average

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Source: Synqrinus Nov '20 Survey, IRI ending 12/31/21, Euromonitor, Kantar Retailer Survey, Hershey Financials, Factset S&P Food Group Results

Winning Formula

A GROWING PORTFOLIO OF **BELOVED BRANDS**	**UNMATCHED CAPABILITIES** CONNECTING US TO CONSUMERS	**A DYNAMIC WORKFORCE** LEADING US FORWARD	**THE LONG-TERM VIEW** GUIDING OUR GROWTH

Making more ***moments*** of goodness

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A GROWING PORTFOLIO OF

BELOVED BRANDS

HERSHEY'S

Investing in the Core

- Growth across occasions and channels
- Innovative marketing
- Space expansion
- Enhanced revenue management

Capturing Incremental Occasions

Better-For-You Confection

Pack-type Innovation

Salty Snacks Expansion

UNMATCHED CAPABILITIES

CONNECTING US TO CONSUMERS

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Advancing Capabilities to Drive Differentiated Performance

Supply Chain

Customers

Consumers

Analytics & Digital Infrastructure

Supply Chain	Customers	Consumers
Integrated Dynamic Planning	Category Insights & Strategies	Consumer Intelligence
Agile, Efficient Supply Chain	Macro Space Planning	Agile Media Targeting
Incremental Capacity	Omni-Channel Activation	Strategic Revenue Growth Management

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Agile and Reliable Supply Chain

- Resilient, growing team
- Disciplined investments in capacity
- Enhanced automation and technology

Record Production
in 2021

+7
Manufacturing lines in 3 years

+2
Distribution & fulfillment centers in 2 years

Sophisticated Media Targeting to Better Reach Our Consumers

Partnerships

Strategic data and technology partnerships

Proprietary Targeting

Anonymized consumer data and purchasing pattern

Test & Measurement

Advanced in-market testing/optimization
Sales-based measurement tools

+5% increase in Media ROI

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Source: Hershey Financials

Bringing this Capability to Life

Household Information	Purchase Data	Targeting
Family		
Single		

A DYNAMIC WORKFORCE

LEADING US FORWARD

Investing in People

Continuous listening

Improving total rewards package

Enhancing training and development

Creating greater flexibility

Taking Action to Increase Diversity and Inclusion

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Enhancing hiring and development programs

Stakeholders

New goals for diverse suppliers

Increasing partnership and community support

Transparency

Strengthening commitments and disclosures

Forbes 2021 WORLD'S TOP FEMALE FRIENDLY COMPANIES POWERED BY STATISTA #1

DiversityInc 2021 TOP 50 COMPANIES FOR DIVERSITY #10

THE CIVIC 50

HUMAN RIGHTS CAMPAIGN FOUNDATION 2021 BEST PLACES TO WORK for LGBTQ Equality 100% CORPORATE EQUALITY INDEX

THE LONG-TERM VIEW

GUIDING OUR GROWTH

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Differentiated Relationships

Across The Value Chain

Farmers

Suppliers

Employees

Retailers

Focused Advancement in Our ESG Priorities

Cocoa

Responsible Sourcing & Human Rights

Environment

People

Youth

Community

Scaling our cocoa programs to achieve our commitments

Strengthening our **environmental agenda**

Further **embedding ESG** into our business strategy and operations

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Steve Voskuil

Chief Financial Officer

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Advantaged Financial Structure

Growing categories, leading margins, reliable earnings growth

Strong balance sheet with portfolio optionality

Peer-leading value to shareholders

Investing in the Business for Long-term Growth

Boost Consumer and Retailer Support

Industry leading advertising levels

Proprietary retail sales force

Build a Resilient Supply Chain

Increased manufacturing capacity

Enhanced automation and technology

Scale High Growth, High Margin Acquisitions

Dot's Homestyle Snacks
LILY'S LESS SUGAR. SWEET LIFE.
PIRATE'S BOOTY
SKINNYPOP POPCORN
ONE
PRETZELS INC

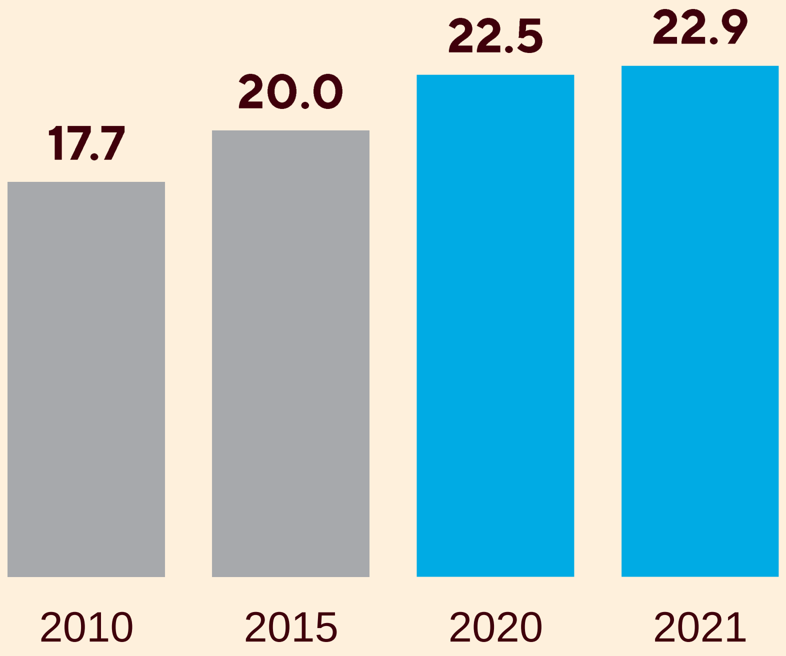
Incremental occasions focused on permissibility

Acquired snacking manufacturing capabilities

Proven Track Record of Profit Margin Expansion

- Price Realization
- Volume Growth
- Productivity
- New Manufacturing Capabilities
- Network Optimization
- Capabilities driving SG&A efficiencies
- Snacking Scale

Adjusted Operating Profit Margin %



Source: Hershey Financials; See Appendix for a reconciliation of GAAP to Adjusted Operating Profit Margin

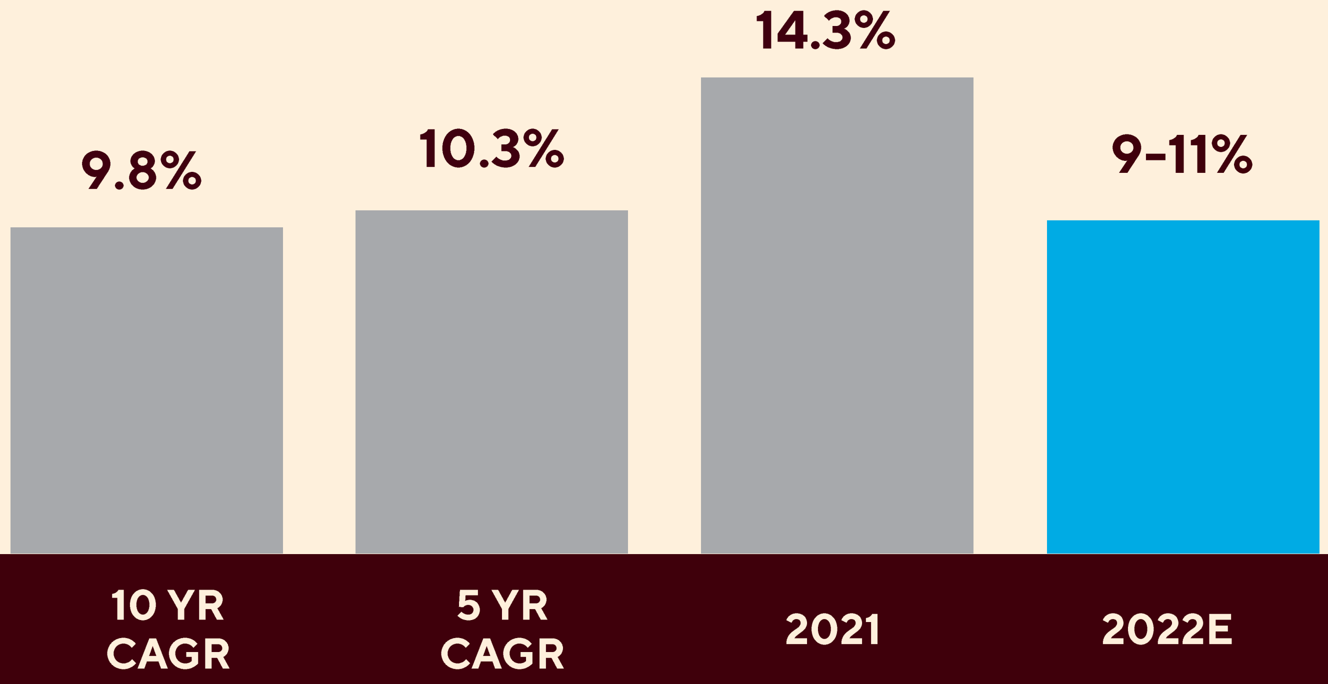
Consistent, on-Algorithm Earnings Growth

Long-Term Target

+6-8%

ADJUSTED EARNINGS PER SHARE

Hershey Adjusted EPS Growth



Source: Hershey Financials; See Appendix for a Reconciliation of GAAP to Adjusted EPS

Elevated CAPEX Focused on Key Growth Drivers

Core Confection Capacity

Snacking Scale & Optimization

Supply Chain Resilience

Healthy Cash Flow Enables Strong Investment and Shareholder Returns

3-YR Operating Cash Flow

$5.5B

~60%
Business Investment

- $1.3B capital expenditures
- $2.0B on acquisitions

~40%
Cash Returned to Shareholders

- $2.4B cash returned to shareholders
- 93% 3-Year Cumulative Total Shareholder Return

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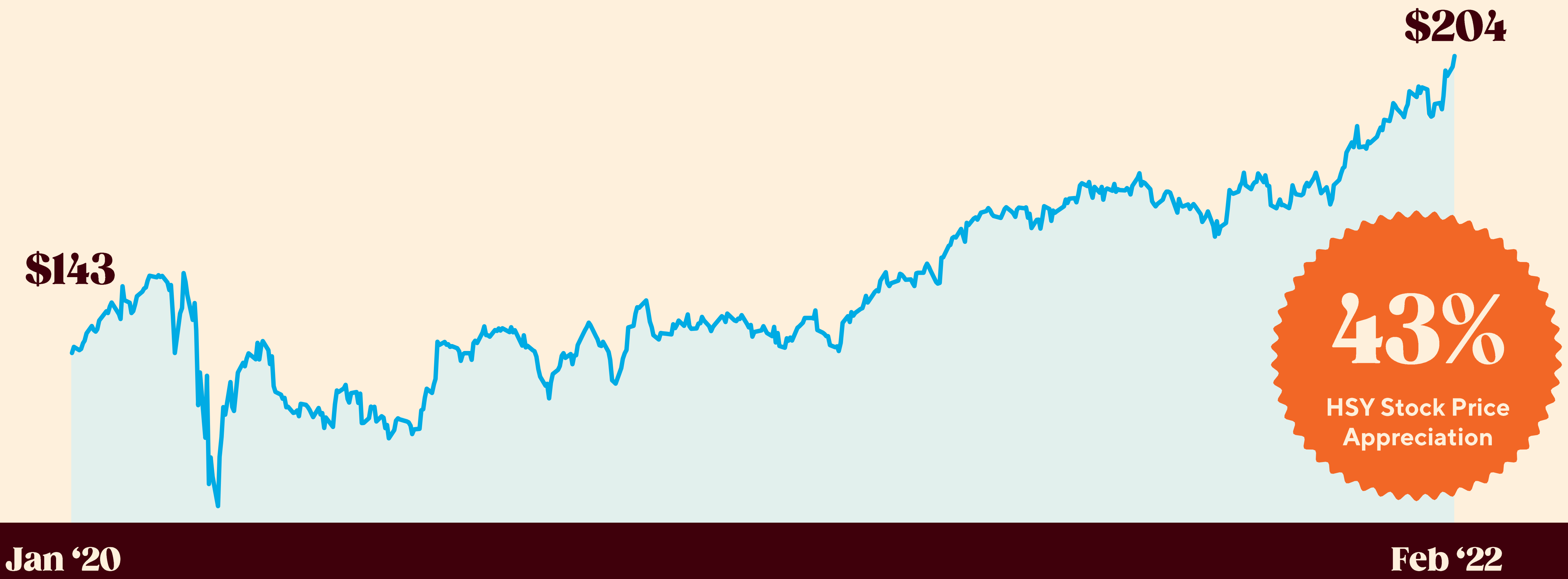
Source: Hershey Financials, Investment outpaced cash flow as leverage increased slightly

All-time High Stock Price



Source: Factset

Michele Buck

Chief Executive Officer

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Confidence in Long-term Growth

Balanced innovation

Enhanced price-pack architecture

More diversification in high-growth segments

Supply chain scale and adaptability

Investment in people, capabilities, and technology

2-4%
Net Sales Growth

6-8%
Adj. EPS Growth

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APPENDIX

Reconciliation of GAAP and Non-GAAP Information

For the year ended December 31,	2021				
In millions of dollars except per share amounts	Gross Profit	Operating Profit	Interest Expense, net	Net Income	Income Per Share-Diluted
GAAP results	$ 4,048.6	$ 2,043.7	$ 127.4	$ 1,477.5	$ 7.11
Adjustments:					
Derivative mark-to-market gains	(24.4)	(24.4)	--	(15.2)	(0.12)
Business realignment activities	5.2	16.6	--	13.5	0.09
Acquisition-related costs	2.7	33.1	--	25.5	0.16
Noncontrolling interest share of business realignment and impairment charges	--	--	--	5.3	0.03
Other miscellaneous benefits	--	(15.2)	--	(13.7)	(0.07)
Tax effect of all adjustments reflected above	--	--	--	-	(0.01)
Non-GAAP results	$ 4,032.1	$ 2,053.9	$ 127.4	$ 1,492.8	$ 7.19

For the year ended December 31,	2021
As reported operating profit margin	22.8%
Non-GAAP operating profit margin (1)	22.9%

(1) Calculated as non-GAAP operating profit as a percentage of net sales for the period presented.

Reconciliation of GAAP and Non-GAAP Information

For the year ended December 31,	2020				
In millions of dollars except per share amounts	Gross Profit	Operating Profit	Interest Expense, net	Net Income	Income Per Share-Diluted
GAAP results	$ 3,701.3	$ 1,782.7	$ 149.4	$ 1,278.7	$ 6.11
Adjustments:					
Derivative mark-to-market losses	6.4	6.4	--	5.1	0.03
Business realignment activities	2.2	31.5	--	24.0	0.15
Acquisition-related costs	-	3.6	--	2.8	0.03
Pension settlement charges relating to Company-directed initiatives	--	--	--	2.6	0.02
Long-lived asset impairment charges	--	9.1	--	8.8	0.04
Noncontrolling interest share of business realignment and impairment charges	--	--	--	(3.4)	(0.02)
Other miscellaneous benefits	--	(3.2)	--	(2.4)	(0.01)
Tax effect of all adjustments reflected above	--	--	--	-	(0.06)
Non-GAAP results	$ 3,709.9	$ 1,830.2	$ 149.4	$ 1,316.2	$ 6.29

For the year ended December 31,	2020
As reported operating profit margin	21.9%
Non-GAAP operating profit margin (1)	22.5%

(1) Calculated as non-GAAP operating profit as a percentage of net sales for the period presented.

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