

Fun today. Flourish tomorrow.

IMPACT REPORT 2021



BY THE NUMBERS



1,427

Full-time Team Members

53% of full-time team members started as part-time team members

10% of full-time team members are legacy team members with 25 years of service

51% of all team members are female

93% feel that their fellow team members live by the company's core values, according to the 2021 Employee Engagement Survey

\$3.02MM corporate giving from 2019 to 2021

\$1.19B direct and indirect sales generated annually in our community through our business in an average year



5,113

Part-time & Seasonal Team Members

Employment data as of July 2021

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A Letter From Our President, CEO, & Chairman

From the beginning, Hershey Entertainment & Resorts Company (HE&R) has been a forward-looking company. Our founder, Milton S. Hershey, was always mindful of how today's endeavors could positively impact tomorrow. He was a visionary who recognized the impact that we all can have on improving the lives of others. From his founding of Milton Hershey School (MHS) for children in need to building a thriving community for his team members and its residents, Mr. Hershey's vision was forever directed toward a better future. Today, our Core Purpose is to provide value to MHS. Mr. Hershey's philosophy of caring for others remains at the core of HE&R and will guide our Environmental, Social, and Governance (ESG) approach, highlighted in this Impact Report. These efforts are a work in progress, and we will continue to listen to the feedback from our team members and our community members to aid our goal of continuous improvement with our commitments to ESG.

I am proud of everything that HE&R does for our people, our communities, and our planet. I am also proud of our team members, who continually represent our core values: Devoted to the Legacy, Selfless Spirit of Service, Team-Focused, and Respectful of Others. They accomplish this through volunteering for community organizations, helping people in need, and serving the students, teachers, and staff members of MHS. Through their individual generosity, as well as HE&R's outreach as an organization, together we make a tremendous difference in our community. While HE&R is in the business of providing world-class service and fun to our guests today, that fun is meaningful only if it helps our communities, and the people in those communities, flourish tomorrow. That is what Milton S. Hershey believed, and we are honored to preserve and continue his legacy.

Thank you,

John Lawn
President, CEO, & Chairman



Our Core Purpose

Milton Hershey School

Milton Hershey School began as a shared vision of Milton S. Hershey and his wife, Catherine, to provide a home and education to poor children. Since 1909, their vision has been a reality: a state-of-the-art campus and a home to more than 2,000 children in need from across the United States.

Today, HE&R is proud to carry forward Mr. Hershey's vision through our continued support of MHS and its students. Our support includes providing annual dividend payments to help the school operate; giving our time to volunteer with MHS; offering employment, internship, and apprenticeship opportunities so students can begin building their careers; and more.

Mr. Hershey believed that education was the key to helping children flourish and lead happy, healthy, and fulfilling lives. That is why he built MHS, and that is why HE&R remains committed to his vision today.

“The partnership from Hershey Entertainment & Resorts’ team members provides our students with tremendous opportunities that help prepare them for success while at MHS and after graduation from our school. We are so grateful to work with an organization dedicated to providing value to our students and staff members. Every day, Hershey Entertainment & Resorts honors the legacy of our mutual founder, Milton S. Hershey, and his vision to assist children in need.”

**– Pete Gurt
President, Milton Hershey School**

Core Purpose

Hershey Entertainment & Resorts Company is proud to help fulfill the dream of our founder, Milton S. Hershey, by providing value to Milton Hershey School in its mission of helping students lead happy, healthy, and fulfilling lives — just as Mr. Hershey intended.

Giving Back

We contribute value to MHS in many ways. Financial support is provided through our annual dividend, which totaled more than \$61 million from 2012 to 2021.

Monetary support is just the beginning of the value HE&R provides to MHS. The number of team members who used our MHS volunteer portal increased from 44 in 2018-19 to 511 in 2020-21. Thanks to many of these volunteers, we held three MHS Days at *Hersheypark*® amusement park during the 2020-21 school year in which students and staff had the exclusive opportunity to enjoy the Park on non-operating days as part of MHS President Pete Gurt's initiative to offer students and staff safe activities to enjoy off campus.

We also provide MHS with tickets to entertainment shows and cultural events. Every year, each MHS student, and many teachers and team members, receives a Season Pass to *Hersheypark*.

We are proud of and grateful for our team members' engagement and volunteerism with MHS. The positive impact on children cannot be measured. It is invaluable.



1,142

HE&R team members engaged with MHS students and staff throughout the 2020-21 school year



\$61MM

Dividends paid over the last 10 years



Project Fellowship

Project Fellowship unites MHS students with HE&R team members, who spend time with children in and away from their student homes. The interactions forge bonds of trust with adults often lacking in the lives of these children. These unique relationships provide mentorship opportunities on both scholastic and personal levels, which supports the “whole child” development approach embraced by MHS. From 2019 through 2021, there were 754 volunteers engaged with 71 homes.

Hershey Project Pathways

This program was launched in 2018, pairing MHS students with HE&R team members whose careers align with their Career Technical Education pathway. Working with their HE&R mentors, MHS students completed multiple projects for the new *Hershey's ChocolateTown*® region at *Hersheypark*: designing landscaping, creating new menu items, building park decor, and more. These partnerships provide invaluable real-world experience, as well as the satisfaction of seeing their work come to life for the enjoyment of thousands of guests.

Engagement for Leaders and Managers

Both MHS and HE&R are committed to expanding educational opportunities and awareness among team members. All new HE&R team members take an MHS Immersion class that introduces them to Milton S. Hershey's legacy, the MHS mission, and our deep and enduring connection.



Our Business



Our Focus

HE&R's focus can be expressed in a simple statement: We exist for the greater good. That greater good includes our people, our community, our planet, and, importantly, our Core Purpose.

Our Core Purpose

Today, more than 110 years after its founding, we continue to support Milton Hershey School in its mission of helping students lead happy, healthy, and fulfilling lives — just as our founder intended.

Our People

We are truly grateful for our team members. We could not do what we do without them. That is why we support them in a variety of ways, from recognition programs, training and development opportunities, and our Employee Support Fund to Employee Resource Groups and an inclusive workplace. When our people flourish, they can help others do the same.



Our Community

To Milton S. Hershey, giving back was a guiding principle and one of his primary reasons for being in business. He once asked, "What good is money unless you use it for the benefit of the community and humanity in general?" It is why our business, team members, and partners contribute their time, resources, and positive energy to our communities so everyone can share in our success.

Our Planet

In 1937, Milton S. Hershey established the first recycling center in Hershey, and to this day we are inspired by his vision. We remain careful custodians of our planet, committed to conservation and responsible growth so our children and grandchildren can enjoy Earth's bountiful natural resources.

Every day, HE&R provides fun for our guests — and that fun has a greater purpose. Our ultimate goal is to make sure the fun we are having today helps our people, our community, our planet, and especially our children flourish tomorrow.



HE&R creates premier entertainment and leisure experiences that make life more fun and enjoyable one moment at a time.

Our Company

HE&R has a proud history of exceptional service, generous philanthropy, and, of course, a connection

to *Hershey's* chocolate. In 1906, our founder, Milton S. Hershey, knew that his chocolate company's employees needed more than just a factory — they also needed a sweet place to call home. That's why he built a park to create a more pleasant environment for workers and residents, a different concept from any typical factory town of the time. About 20 years later, HE&R was founded, providing even more ways to make Hershey, PA, a great place to live, work, and play. Over the years, we have grown intentionally and thoughtfully to help add value and meaning to the lives of Hershey residents, team members, and guests, and of course — above all else — to support MHS. Hershey is now a one-of-a-kind worldwide destination comprising thousands of employment opportunities, hundreds of events and attractions, countless sweet memories, and one sweet legacy.

HE&R has built a diverse base of operations to deliver on our promise. Today, the organization is a privately held entertainment and resorts company that is made up of four distinct service areas:

Parks

Entertainment

Lodging

Leisure

Given our shared history, it is easy to confuse us with the company that makes *Hershey's* chocolate, known as The Hershey Company. Conversely, HE&R is an experiential brand, and each category of our brand portfolio has been added or expanded on to deliver on our Core Purpose of supporting MHS.



Hershey Entertainment & Resorts Brands



Hersheypark®

- Amusement park with 70+ rides and attractions on 121 acres, including 15 coasters and 20+ kiddie rides
- 14 water attractions including a lazy river and wave pool
- New *Hershey's Chocolate*town region for guests to play, eat, shop, and gather year-round
- Opened in 1906



ZooAmerica® North American Wildlife Park

- 11-acre walk-through zoo home to more than 200 native North American animals
- 60 species from five regions of North America
- Opened as *ZooAmerica* in 1978



GIANT® CenterSM

- Multipurpose indoor venue accommodating up to 12,500 people
- Home to the AHL *Hershey Bears*® hockey club, concerts, basketball, wrestling, and ice shows
- Owned by the Derry Township Industrial and Commercial Development Authority
- Opened in 2002



The Hotel Hershey®

- Historic hotel with 276 guest rooms, suites, and luxury cottages
- Dining options include *The Circular*® restaurant, *Trevi 5SM* Italian grill, *HarvestSM* restaurant & bar, *Iberian LoungeSM* cocktail bar, and *Chef's MarketSM* all-day café
- *The Spa At The Hotel Hershey*® full-service spa opened in 2001
- Opened in 1933



Hershey Lodge®

- Full-service resort with 665 guest rooms, and 100,000+ square feet of meeting space
- *Hershey's Water Works* at *Hershey LodgeSM* indoor pool complex
- Dining options include *Revelry*® Chophouse, Bar & Patio; *Hershey GrillSM* Kitchen + Bar; *The Bears' DenSM* sports bar and restaurant; *Fire & Grain*® restaurant; and *Cocoa Beanery*® coffee shop
- Opened in 1967



The Spa At The Hotel Hershey®

- Luxury spa overlooking *The Hotel Hershey* formal gardens and reflecting pools
- Known as the *Chocolate Spa*, it offers chocolate-inspired services, in addition to signature packages, treatments, and salon services in its 40,000 square feet space
- Opened in 2001



MeltSpa® by Hershey

- Day spa offering more than 70 treatments
- Features exclusive *Hershey's Dark Chocolate* treatments
- Opened in 2017



Hersheypark® Stadium

- Most prominent outdoor stadium between Philadelphia and Pittsburgh, accommodating up to 30,000 people
- Hosts the annual Summer Concert Series, PIAA football and soccer games, and more
- Opened in 1939



Hershey Bears®

- Longest continuously operating hockey club in the AHL, celebrating their 84th year in 2021-22 season
- More Calder Cup wins than any other team, with 11 championships in franchise history



Hersheypark® Arena

- Historic arena fondly known as “the old barn,” originally home to the *Hershey Bears*
- Today it is a multipurpose indoor sports venue that hosts local teams and public skating sessions
- Opened in 1936



Hershey Theatre®

- Seats 1,904 people
- Premier performing arts center presenting touring Broadway shows, music, and family shows
- Opened in 1933



Hershey® Country Club

- 45 holes of championship golf in a historic setting with exemplary guest and member service
- Ideal setting for weddings and events
- Golf has been played in Hershey since 1909



Hersheypark Camping Resort®

- Camping destination featuring more than 300 immaculate RV, cabin, and tent sites (both open and shaded) on 55 acres
- Activities include swimming, basketball, a picnic area, and a Family Fun Center
- Opened in 1963

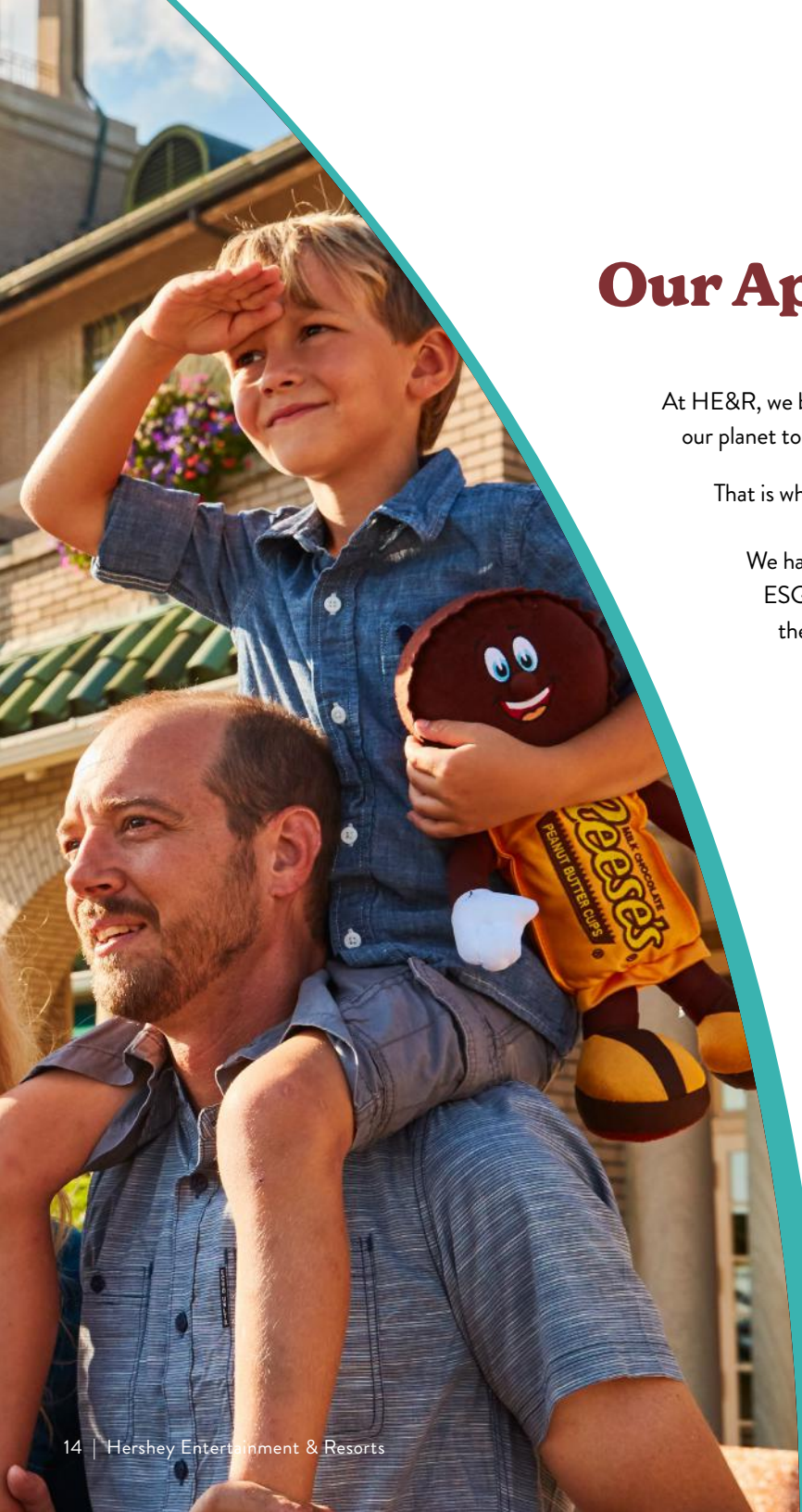


Restaurant Group

- Unique and award-winning dining facilities, including *The ChocolatierSM* Restaurant, Bar + Patio; *Devon Seafood + Steak*; *Houlihan's Restaurant + Bar*; and *Cocoa Beanery* coffee shop

Hershey Entertainment Group

Hershey Resorts Group



Our Approach to ESG

At HE&R, we believe it is our responsibility as members of our local and regional communities and residents of our planet to understand our impact and aspire to do better.

That is why we put forward this Impact Report.

We have taken a two-track approach, highlighting the many programs and initiatives that make up our ESG work while rigorously reporting on the impact of those efforts. Taking both sides together tells the full story of how HE&R's ESG efforts help our people, our community, and our planet flourish.

This report is built on several components:

- *We used the Sustainability Accounting Standards Board (SASB) framework to analyze our business, focusing on the metrics for three categories: Hotels & Lodging, Restaurants, and Entertainment.*
- *We conducted an internal stakeholder survey to better understand our team members' perception of our ESG work and to shape our future efforts.*
- *We identified additional programs, initiatives, and data points unique to HE&R that demonstrate the breadth of our ESG efforts.*
- *We identified six of the United Nations Sustainable Development Goals (SDGs) that are the most relevant to our business.*

We are proud of what we have achieved so far, but our work does not stop with this report. We are committed to improvement and continued progress, living out Milton S. Hershey's legacy today so our children can flourish tomorrow.

Stakeholder Materiality Survey

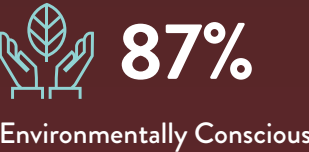
To support our inaugural year of ESG reporting, we conducted extensive stakeholder outreach to ensure materiality and relevance with the issues we have chosen to prioritize and measure. Our intent was to ensure that the sustainability priorities we have selected to track and report, particularly our most aspirational ones, are those that have a direct or indirect impact on our ability to create, maintain, or elevate economic, environmental, or social value.

HE&R team members are highly engaged, and we value the quality of their experience and qualitative feedback as among the highest forms of input on our sustainability program. In fact, nearly 70% of the team members surveyed reported feeling highly or considerably supported by their employer, and 90% reported high or considerable involvement in HE&R's commitment to providing value to MHS. And generally, team members cite high levels of corporate motivation around sustainability priorities.

We asked HE&R stakeholders to select the most important metrics for a sustainability program that reflects the position and spirit of the company. We gathered input on what our team members care about and what they believe HE&R should focus on for the long term and on a macro level.

The stakeholder priorities and feedback helped us determine which of the United Nations SDGs fit into our sustainability program. These goals are a set of 17 aspirational objectives that provide "a shared blueprint for peace and prosperity for people and the planet." We have identified six SDGs that align with HE&R's business to help orient our sustainability efforts. The six goals that were selected are material to HE&R's business, aligned with the spirit of the brand, and reflective of our stakeholder feedback.

TEAM MEMBERS SAY HE&R IS...



United Nations Sustainability Goals



Goal: Zero Hunger

End hunger, achieve food security and improved nutrition, and promote sustainable agriculture
87% of respondents believe HE&R is environmentally conscious, with many of them citing HE&R's participation in food aid programs such as Cocoa Packs and Hershey Food Bank



Goal: Quality Education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
Approximately 99% of stakeholders report involvement in HE&R's commitment to providing value to MHS



Goal: Gender Equality

Achieve gender equality and empower all women and girls
98% of respondents believe HE&R is actively working to build a diverse and inclusive workforce



Goal: Decent Work and Economic Growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
Workforce safety and labor practices ranked among the top five issues highlighted by stakeholders, selected by 70% of respondents



Goal: Sustainable Cities and Communities

Make cities and human settlements inclusive, safe, resilient, and sustainable
100% of stakeholders reported that HE&R supports their community, with 84% citing high or considerable support



Goal: Responsible Consumption and Production

Ensure sustainable consumption and production patterns
Energy management and food and packaging waste management were chosen by 68% of respondents as most important metrics for an HE&R ESG program of which stakeholders would be proud

To be successful in these key areas, we continue to engage with team members and stakeholders in meaningful dialogue around our sustainability program.

Our goal is to conduct an expanded materiality analysis to ensure that our ESG priorities continue to evolve appropriately.

Further discussion of our SDGs priorities can be found on page 64.

Safety

BY THE NUMBER

-  **245** Certified Lifeguards
-  **80** State-certified Ride Inspectors
-  **28** Emergency Medical Technicians
-  **16** Registered Nurses
-  **4** CPR/First Aid/AED Instructors
-  **3** Fire Inspectors
-  **50** PA Special Fire Police

Our special history helps create fun experiences that you can only get in Hershey, which is a key factor in why people choose to visit our properties. But guest and team member safety is our highest priority and at the heart of our company brand. Our commitment to safety is at the very foundation of everything we do, and we recognize

Priority: Safety

that without our success with safety, our guests would rightly choose to visit elsewhere. All our properties have Safety Committees that regularly conduct emergency drills and share relevant information. Team members are offered free first aid/CPR training classes through in-house certified trainers. Team members are recognized for their efforts at a company-wide Employee Safety Awards event. Our safety measures extend to the cyberworld, with processes and practices to protect team member and guest data. And, at Hersheypark, our 80 state-certified ride inspectors are the most of any amusement park in Pennsylvania. With swimming pools at our resorts, Hershey® Country Club, and The Boardwalk at Hersheypark® water park, lifeguard training and swim safety are paramount. That is why all lifeguards receive monthly in-service education, and lifeguard certifications must be tested and renewed every year. Every summer, unannounced audits of the lifeguard staff are conducted to ensure performance excellence. For seven years in a row, Hersheypark has earned the prestigious Platinum International Aquatics Safety Award from Jeff Ellis & Associates, widely considered the gold standard of swim safety organizations. At all HE&R properties, full-time security teams are deployed to identify and respond to any security concerns. Our security team members receive extensive training, including multiple Certified Protection Professional certifications, globally recognized as the standard of excellence for security management professionals.

Our team also includes members recognized as Certified Safety Professionals (the industry's most recognized safety, health, and environment certification) and in workers' compensation, emergency management, parking, lodging, fire inspections, and more.

HE&R maintains close relationships and ongoing communication with local, state, and federal law enforcement. To remain at the highest state of preparedness, we regularly conduct security training exercises with law enforcement agencies. Every day at HE&R is planned, with contingency plans in place, in advance of the day's activities.

See Something. Say Something.

Across all our properties, team members are encouraged to follow this practice and report anything that seems out of the ordinary. By remaining aware of our surroundings, we can protect our guests, our team members, and our communities.

Digital Safety

HE&R's Information Security program is aligned to an industry-standard security framework that provides a prioritized set of actions to form an in-depth strategy for reducing risk. Physical and technical controls are implemented in collaboration with third party industry experts to protect our organization's information systems. Administrative policies, including a Privacy Policy that is aligned to follow emerging data privacy regulations, protect our team members' and guests' data. The Information Security program is regularly reviewed to evaluate emerging technologies and stay ahead of evolving cyberthreats.

Our COVID-19 Response

The COVID-19 pandemic has impacted every one of us, putting unprecedented strain on our team members, families, and communities. We know it has been a very challenging time for everyone, and we are particularly grateful for the perseverance of our team members. Since the first impacts of the pandemic reached central Pennsylvania in early 2020, HE&R's primary focus was and continues to be to protect the health and safety of our team members and guests while maintaining a measured and safe approach to the continuity of our business operations.

Throughout the pandemic, HE&R's policies have been guided by the recommendations of health officials, including the Centers for Disease Control and Prevention and the Pennsylvania Department of Health, including closures, capacity limits, and the use of face coverings. In some instances, HE&R's safety protocols went beyond those recommended or required by health officials to provide the highest level of protection for our team members and guests. Further, we took steps to protect the safety of the Hershey community, partnering with local health officials to host COVID-19 screening and testing at GIANT CenterSM arena and offering vaccination incentives to our team members.

HE&R has a long-standing collaboration with Penn State Health Milton S. Hershey Medical Center. Throughout the pandemic, HE&R worked with Penn State Health to share relevant information with our team members and guests on the virus, preventive measures, testing procedures, and vaccine information.

While all of these measures were vital to protecting health and safety, the pandemic inevitably took a heavy toll on operations like ours in the hospitality sector, especially in its earliest phases. The mandatory closure of our largest operations necessitated a temporary constraint on some of HE&R's charitable giving. As our operations were permitted to reopen, those temporary limitations were lifted, and we are pleased to begin returning to our normal level of giving back to the community.

We are grateful for the flexibility, patience, and compassion of our team members and guests, as well as the continued support of our community. We continue to be guided by the recommendations from health officials, maintain enhanced cleaning standards, and adapt to changing circumstances. Health and safety have been and will always be our top priority, because to flourish tomorrow we must take care today.



Governance

INDEPENDENT BOARD OF DIRECTORS



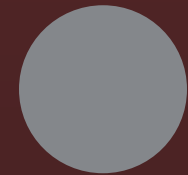
60% **Ethnic/Gender Diversity**
3 out of 5 directors are
gender/ethnically diverse



40% **Ethnic Diversity**
2 out of 5 directors are
racially/ethnically diverse



40% **Gender Diversity**
2 out of 5 directors are women



100% **Independent Board Committee Composition**
All of our board committee chairs are independent,
and all of our committees include 100%, or a strong
majority, of independent directors.

Our current Independent Board of Directors have experience in the following industries:

- *Hospitality*
- *Retail/E-Commerce*
- *Sports & Recreation*
- *Lodging*
- *Arts & Entertainment*
- *Finance*
- *Travel & Tourism*
- *Restaurants & Food Service*
- *Real Estate*

Corporate Governance and Ethics

HE&R is privately held by Hershey Trust Company as a trustee for Milton Hershey School Trust. We are governed by a Board of Directors, which is composed of independent directors and one management member and led by the company's senior management team.

HE&R maintains effective governance practices to secure the trust of internal and external stakeholders. Our team members annually must complete the Code of Conduct and Ethics training program, which includes compliance classes throughout the year. Team members must also follow the Conflicts of Interest policy. We provide a confidential compliance hotline and encourage all team members to use it to report behavior that potentially is unethical, unlawful, or goes against an established company policy. We also ask team members to share suggestions for improvement on the compliance hotline.

HE&R has an extensive Enterprise Risk Management program to thoroughly understand our risk universe and respond to any issues in our risk profile. The process stresses everyone's responsibility to evaluate, identify, and manage risk at each of our properties.

A Representation of some of the boards, associations, and other entities of which HE&R is a member:

- PA Chamber of Business & Industry
- Harrisburg Regional Chamber & CREDC
- American Hotel & Lodging Association
- PA Restaurant & Lodging Association
- Historic Hotels of America
- Visit Hershey & Harrisburg
- International Association of Amusement Parks and Attractions (IAAPA)
- National Association of Amusement Ride Safety Officials
- PA Amusement Parks and Attractions
- American Coaster Enthusiasts
- American Society for Industrial Security
- Pennsylvania Crime Stoppers
- Meeting Professionals International Middle PA Chapter
- Penn State School of Hospitality Management
- Harrisburg University
- Penn State Harrisburg
- Pennsylvania's State System of Higher Education Foundation
- Indiana University of Pennsylvania's Alumni Hospitality Industry Board
- Harrisburg Area Community College Hospitality Program
- Hershey All Things Diversity
- Downtown Hershey Association
- Cocoa Packs
- Children's Miracle Network Hershey
- Four Diamonds at Penn State Children's Hospital
- Ronald McDonald House, Central PA
- Juvenile Diabetes Research Foundation
- United Way
- The Foundation for Enhancing Community
- Vista School
- Multiple Sclerosis Society
- PA Family Support Alliance
- Hershey Community Garden
- Red Cross
- Junior Achievement
- Milton Hershey School Career and Advisory Board
- Milton Hershey School Hershey Program
- Milton Hershey School ProStart
- Milton Hershey School — HE&R Partnership Committee

Social Equity

Our Commitment TO ACT

▲ LISTENING

Engaging in dialogue to ensure all voices are heard.

▲ CONNECTING

Provide networking and awareness through our multi-ethnic employee resource group, MERGE.

▲ OUTREACH

Supporting organizations dedicated to racial and social justice reform.

▲ LEARNING

Cultivating a deeper understanding of race and the workplace.

▲ DEVELOPING

Improving representation of Persons of Color at all levels.

Diversity, Equity, and Inclusion

HE&R exists to support MHS and its Core Purpose of giving children in need a chance to flourish. Milton S. Hershey's vision for helping children live happy, healthy, and fulfilling lives did not stop at MHS students. He wanted that vision for all children. And so do we, which is why social equity is so important to us at HE&R.

Creating an equitable world is not fast or easy, and we know there is much work to be done. We are committed to doing our part. HE&R's comprehensive efforts are aimed at cultivating diversity, equity, and inclusion in all we do. We are increasing leadership diversity and are committed to advancing a strong internal culture of advocacy and inclusion. We are building on existing initiatives and creating new programs that open more avenues for team members from diverse backgrounds. For our community, we are providing more hospitality experiences that reflect the diversity of our guests.

**Having fun and being welcoming have something in common. They make things better.
That is why HE&R continually will strive to be a leader in diversity, equity, and inclusion.**

Diversity Training

During 2020 and 2021, we incorporated Diversity, Equity, and Inclusion (DE&I) training in 945 new hire company orientations. We held seven Embracing Inclusion & Diversity training sessions in 2020. In 2021, HE&R conducted Unconscious Bias discussions at our Hospitality Internship Program (HIP). HE&R also partnered with external DE&I professionals for additional training opportunities.

Listening Sessions

HE&R worked with DE&I subject matter experts and team members to conduct dozens of listening sessions across our organization. The listening sessions helped to inform our DE&I strategy, identify opportunities within the company, and give our team members a forum to voice their concerns, ask questions, and share feedback.

Hershey All Things Diversity

In 2018, HE&R joined a group of prominent local institutions to launch Hershey All Things Diversity. This free educational series is open to the public and presents programming designed to inspire respect, appreciation, and acceptance of differences and beliefs. It consists of four to five presentations each year.

Partnering With Like-Minded Organizations

To broaden our DE&I efforts, we have joined forces with a diverse group of committed organizations: The LGBT Center in Harrisburg, CEO Action for Diversity & Inclusion, Latino Connection, Black Girl Health, Keystone Business Alliance, and more.

We are committed to fostering a stronger internal culture of advocacy and inclusion to help team members share their voices and collectively effect change.

DIVERSITY OF TEAM MEMBERS



51%
Female



20%
Persons of Color



A Letter From Our Vice President and Chief Marketing Officer

The strength and value of any company is in its people. That is especially true at Hershey Entertainment & Resorts (HE&R). Our Core Purpose, our reason for being, is to support Milton Hershey School (MHS).

For over 110 years, MHS has helped generations of children in need to learn, grow, and lead fulfilling lives. This would not be possible without generations of HE&R team members — people who have worked, strived, and sacrificed for the children of MHS. People who have been completely committed to our Core Purpose. Because children who flourish need adults who flourish.

This is why we are committed to developing a workforce that is diverse, welcoming, and well-supported, and why we are devoted to fostering a respectful workplace that empowers our people to thrive. To foster this commitment, we created a DE&I Council comprising leaders throughout the organization.

We believe in championing a culture of diversity, equity, and inclusion because people matter. People make all the difference. And I am so proud and so privileged to be associated with so many wonderful people.

Thank you,

Leslie Ferraro
Vice President, Chief Marketing Officer



Our People



90%

of team members surveyed feel “considerably” or “highly” involved in our Core Purpose of providing value to MHS



28

average number of team members nominated for the Legacy of Excellence Award, which is HE&R’s highest peer-to-peer recognition

A Flourishing Workforce

**Our commitment to children is strengthened by developing and supporting our people.
For our children to flourish tomorrow, we need adults who can guide them today.**

That is why we strive to be the employer people want to work for. We are proud that so many of our team members have stayed with HE&R for so long. We also have nearly 150 Legacy team members, who have dedicated more than 25 years of service to HE&R.

We also offer a breadth of training and development opportunities for our team members, including Courageous Communication, Seven Habits of Highly Effective People, Servant Leadership, and various leadership courses.

We are proud to celebrate our team members — for their commitment to our company and its mission, for the way they treat each other, and for how they ensure our guests have the best experience possible. It is equally important that we support our team members, providing them with the resources and tools they need to live fulfilling lives and advance their careers.





Legacy Check Program

This unique program allows team members to recognize the exemplary contributions of peers throughout the company. Launched in 2010, the Legacy Check program has rewarded team members who have gone above and beyond to Own, Anticipate, Delight, or Inspire guests, team members, or the community. Since 2020, over 12,000 Legacy Checks have been distributed.

Employee Recognition Awards

At each property, team members are celebrated with monthly, quarterly, and annual recognition awards. Those earning recognition awards are honored at Town Hall meetings and staff or departmental gatherings.

Legacy of Excellence Award

Beginning in 2000, HE&R has honored one team member annually with the Legacy of Excellence Award, the highest level of peer-to-peer recognition given by the company. It highlights a team member whose efforts best exemplify our commitment to MHS, our focus on service excellence, and our core values.

Tuition Assistance

Tuition assistance is granted to team members who successfully complete courses at an accredited institution.

Employee Support Fund

Created by team members in 2003, the Employee Support Fund (ESF) is a tax-exempt, independent, nonprofit organization that provides immediate, short-term financial assistance to eligible team members who are experiencing financial hardship. Team members can contribute to the ESF through payroll deduction, which HE&R matches. For this reporting period, team members contributed more than \$50,000, which assisted 51 of their colleagues.

Employee Resource Groups

HE&R champions the diversity, opinions, and beliefs of team members. Employee Resource Groups unite our team members and foster collaboration, discussion, and, ultimately, action. These groups empower the diversity of thought to impact company culture.

- **MERGE**
A multi-ethnic resource group for everyone that hosts educational events, promotes compassionate conversation, and champions the development of people from diverse backgrounds.
- **MHS-HE&R Partnership**
A networking group devoted to supporting our company’s legacy by promoting a variety of engagement opportunities with the school.
- **Women In Leadership**
A collective of female leaders with a mission to recruit, develop, support, and empower women across the organization.
- **Workforce Inclusion**
In-house experts on workforce inclusion with a mission to cultivate a culture where diversity is sought out, respected, and celebrated.
- **Young Professionals**
A community dedicated to connecting, strengthening, and celebrating HE&R young professionals by creating valuable opportunities to network, learn, develop, and give back.

Caring for Our Team Members

The well-being of our team members is paramount at HE&R. Team members can earn \$200 when completing an annual health screening and participating in other preventive care activities. We also prioritize our team members’ financial well-being by offering a company 401(k) match. And, to support mental health, we offer an Employee Assistance Program.

Our Employee Resource Groups are diverse in and of themselves, providing resources, networking, and support for a variety of groups:



MERGE
MULTI-ETHNIC RESOURCE
GROUP FOR EVERYONE



**MHS
Partnership**



**Women In
Leadership**



**Workforce
Inclusion**



**Young
Professionals**

Developing Tomorrow's Workforce

Our commitment to helping children flourish continues as they grow. As one of the top employers of minors in Pennsylvania, HE&R is equally committed to helping our younger workers develop and thrive. We are privileged to participate in training workers as professionals and raising the workforce of the future.

Hersheypark Leadership Development Internship Program

This program aligns our growing demand for an increased workforce at *Hersheypark* with an accredited 12-week curriculum focused on leadership development and key competencies designed specifically for this experience. Participants are placed in five departments throughout *Hersheypark* during our peak summer months. In its inaugural year, the program earned the IAAPA Brass Ring Award for Human Resources Excellence Best Employee Engagement Initiative — Annual Attendance More Than 1 Million. Additionally, 180 students from more than 100 colleges received a leadership development certificate and the opportunity to earn up to three college credits. The accredited curriculum resulted in a 98% graduation rate.

Hospitality Internship Program

The Hospitality Internship Program (HIP) is available to college students pursuing degrees from accredited institutions to support a career in the hospitality & tourism management, food & beverage, and recreation industries. We offer 50-60 positions across our various properties in three areas of concentration — Guest Services & Housekeeping, Food & Beverage, and Recreation. HIP is an opportunity to learn essential management skills, because the interns are an extension of the management team.

International Student Program

The J-1 Summer Work Travel program provides international students with an opportunity to live and work in the United States during their summer vacation from college. In a typical year, HE&R employs about 400 students from over 15 countries through this program. This program both supports our staffing needs and provides a mutually beneficial educational exchange for all our team members, providing opportunities to interact with people from around the world. It also creates a more inclusive environment for our guests who come from many backgrounds and cultures.



Fun Today So Our People Can Flourish Tomorrow



A Letter From Our Vice President of Communications and Corporate Relations

Our local communities serve as the foundation of our society. Every day, we depend on them — for their people, their services, their shops, and their support. Quietly, our communities are shaping us — individuals and businesses alike — every moment of our lives. It is no wonder then that Milton S. Hershey was adamant about giving back to the community.

He believed a flourishing community lifts us all up. Throughout his life, he never stopped acting on that belief. We are proud to continue this enduring legacy, one that improves and enriches the lives of children and families in Hershey and the surrounding area. It is why our commitment to support so many charities, nonprofits, and community initiatives will never waver.

We are also proud of our economic impact. The employment opportunities we provide help grow our communities, and our economic success is rightfully tethered to the communities' success. In Hershey, we know we can achieve that success only through our collective efforts with our community and stakeholder partners. We are all in this together, and together we can make a positive difference in the lives of those around us.

We are grateful for all the team members, partners, and guests who have gladly joined us in this important pursuit.

Thank you,


Garrett Gallia

Vice President, Communications and Corporate Relations




Our Community

Economic Impact
BY THE NUMBERS

 **\$428.5MM**
Labor Income

 **14,645**
Jobs

 **\$1.19B**
Direct, Indirect,
and Induced Sales

Supporting Our Community

The people who support our communities are in and of themselves a community. Our team members. Our partners. Our guests. They all play a part.

They all make a major difference. They devote their time, resources, and positive energy to bringing lasting change to our communities. Their focus is on supporting nonprofits that benefit children and families in our community directly. And, although the pandemic limited some of our community outreach, we are committed to these partnerships and to getting back to normal levels of financial support and volunteerism. Their commitment ensures the Milton S. Hershey spirit of giving back is alive and very well.

Economic Impact on the Community

The economic impact of HE&R is significant. As a leading employer in Derry Township and Dauphin County, we are proud to play a vital role in growing, developing, and sustaining the local economy both as an employer and as a magnet for tourism and recreation. A recent study calculated that, in an average year, HE&R generates 14,645 jobs, \$1.19 billion in annual sales, and \$428.5 million in labor income communitywide. Special thanks go to every one of our guests. Without them, this would never be possible. Because, while they are having fun at our properties today, they are helping our community flourish tomorrow.





100%

of employees surveyed believe
HE&R supports its community



1,200

Community organizations HE&R
supports in an average year



\$3.02MM

Corporate giving from 2019 to 2021

UNITED WAY

Our company and team members generously support United Way to help address pressing community needs throughout Cumberland, Dauphin, Lebanon, York, and Perry counties. From 2019 to 2021, HE&R's contributions totaled nearly \$247,000.

HE&R DAY OF SERVICE

Martin Luther King Jr. once said, "The surest way to be happy is to seek happiness for others." To honor his legacy and follow his example, in 2019 we began participating in the national day of service on Martin Luther King Jr. Day. In the first two years, over 200 HE&R team members worked on more than 25 projects from 12 local organizations.

Children's Miracle Network Hershey

HE&R is proud of our longtime partnership with Children's Miracle Network Hershey (CMN), a nonprofit that raises funds for children's hospitals across North America. In 2019, HE&R sponsored the CMN Telethon Phone Bank with a \$15,000 commitment, and 35 team members volunteered to assist with phones helping to raise money for the Penn State Children's Hospital at Penn State Health Milton S. Hershey Medical Center. In a typical hockey season, our *Hershey Bears*® team conducts hospital visits as part of *Hershey Bears Cares*™ efforts. In 2021, HE&R donated 75 *Hersheypark* tickets to CMN families for a day of fun.

Give Kids the World

The nonprofit Give Kids the World fulfills the wishes of critically ill children. We are privileged to support the program with tickets to *Hersheypark*. From 2019 through 2021, HE&R donated tickets valued at nearly \$90,000.

Junior Achievement

Junior Achievement (JA) educates and inspires local students in the areas of business, economics, and STEM. For years, HE&R has supported JA. We donated over \$30,000 from 2019 to 2021, helping the organization reach over 77,000 students in the 2020-21 school year, and a number of our team members serve as classroom program volunteers.

Juvenile Diabetes Research Foundation

Since 2002, HE&R has partnered with the Juvenile Diabetes Research Foundation (JDRF), making annual donations of more than \$10,000 to support the organization's fundraising. In 2021, HE&R sponsored a walk at *ZooAmerica* with a \$5,000 match donation. JDRF's efforts to eradicate Type 1 diabetes are important to many of our team members and their families.

Downtown Hershey Association

The Downtown Hershey Association (DHA) was created to ensure that downtown revitalization flourishes. From 2019 through 2021, HE&R made an annual contribution to DHA.





For 84 years, our *Hershey Bears*® hockey team of the American Hockey League have been thrilling fans on the ice. Off the ice, they have long been active in the community, making a positive difference. In 2018, HE&R established *Hershey Bears Cares*™ charitable initiative, a platform to highlight the organization's community outreach.

Hershey Bears Cares

Since 2002, HE&R has hosted an annual Teddy Bear Toss at *GIANT Center*™ arena to collect plush toys for local children. In the 2021-22 season, Bears fans broke their own world record by tossing 52,341 stuffed toys onto the ice, shattering their previous

record of 45,650 stuffed toys in 2019. Even when the pandemic shifted the toss to a drive-thru event in 2021, our wonderful fans showed their big hearts. That year brought in 31,381 stuffed animals — the third-highest total in team history up to that point. More than 40 local organizations benefit from the Teddy Bear Toss annually, giving thousands of kids something special to enjoy.

Jersey Auctions

Throughout the *Hershey Bears* hockey season, jersey auctions are held to raise money for Hospice of Central PA, Vista School, and the American Cancer Society, as well as several other local organizations. In a typical season, the Bears hold about three auctions, each benefiting two to three organizations. During the 2019-20 season, the auctions raised a total of \$60,000.

Seats for Soldiers and Veterans

HE&R donated over 17,000 tickets to Bears games to soldiers and veterans during the 2019-20 season.

Support for Youth Hockey Clubs

During the 2019-20 season, we donated 20 helmets, over 20 gloves, and *Hershey Bears* game socks to the Hershey Heroes and York Polar Bears, both of which are special needs hockey programs. We also donated proceeds from the jersey auctions to the Central Pennsylvania Interscholastic Hockey League and the Palmyra Black Knights.



**HERSHEY
...BEARS...
CARES**

Nourishing Our Community

At our HE&R properties, we are all in for keeping it local. We source foods from local farmers, which helps sustain them and keeps their farms flourishing — while also reducing our impact on the environment by shortening the distance between the farm and our kitchens.

Our restaurants use local and regional products when possible, including sourcing some meat, produce, seafood, and bread from local and regional suppliers. Devon Seafood + Steak predominantly serves wild-caught fish to limit overfishing. *Milton's*SM Ice Cream Parlor serves 100% local dairy house-made ice cream, and MHS agriculture students even grow microgreens served at *The Hotel Hershey*.

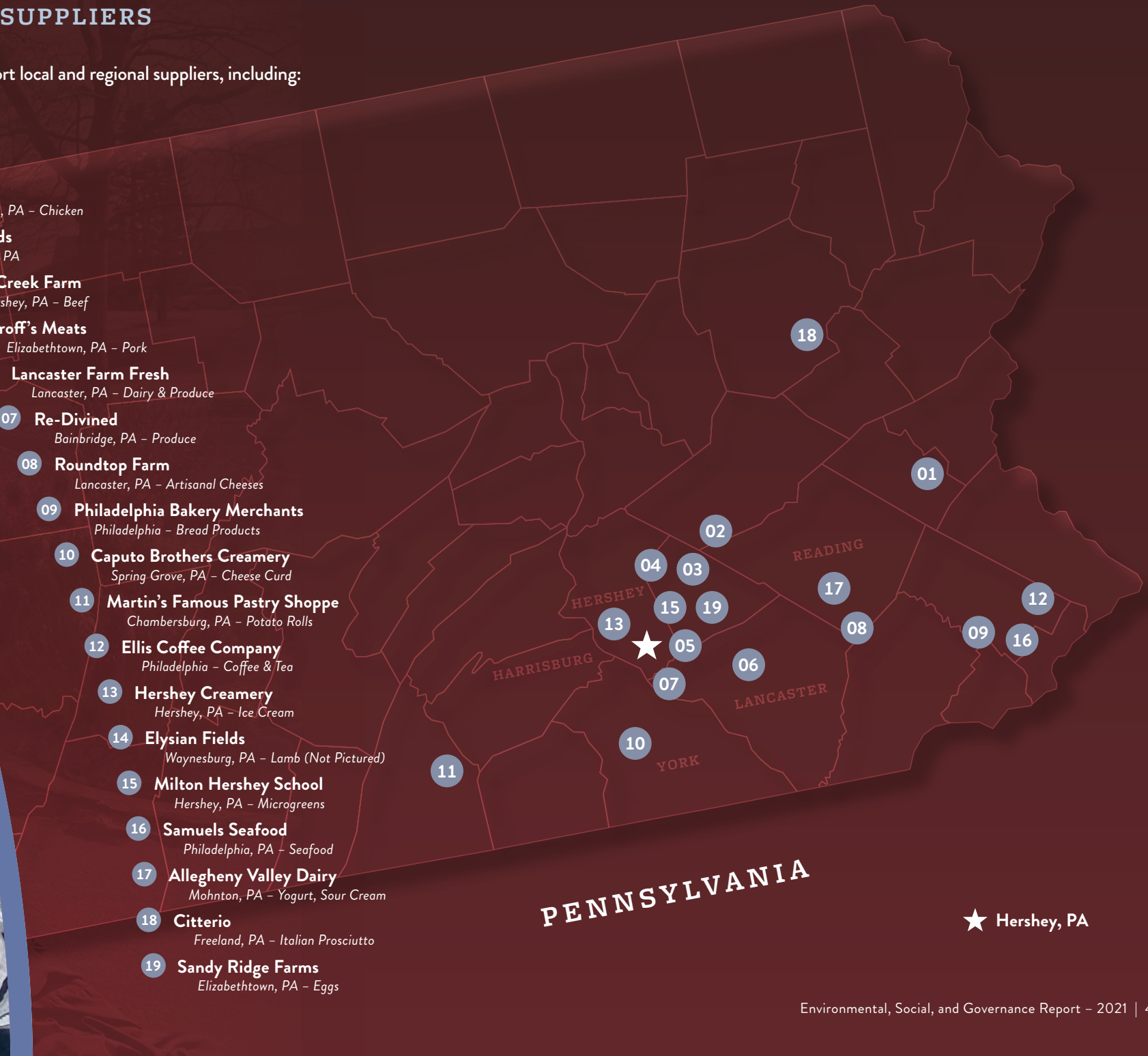
We're particularly proud of our longtime support for Bow Creek Farm here in Hershey. It has been providing high-quality beef to the restaurants at *The Hotel Hershey* since 2012, and more recently to *Hershey Country Club* and *Hershey Lodge* as well.



OUR LOCAL SUPPLIERS

We are proud to support local and regional suppliers, including:

- 01 Hatfield**
Emmaus, PA – Pork
- 02 Bell & Evans**
Fredericksburg, PA – Chicken
- 03 ASK Foods**
Palmyra, PA
- 04 Bow Creek Farm**
Hershey, PA – Beef
- 05 Groff's Meats**
Elizabethtown, PA – Pork
- 06 Lancaster Farm Fresh**
Lancaster, PA – Dairy & Produce
- 07 Re-Divined**
Bainbridge, PA – Produce
- 08 Roundtop Farm**
Lancaster, PA – Artisanal Cheeses
- 09 Philadelphia Bakery Merchants**
Philadelphia – Bread Products
- 10 Caputo Brothers Creamery**
Spring Grove, PA – Cheese Curd
- 11 Martin's Famous Pastry Shoppe**
Chambersburg, PA – Potato Rolls
- 12 Ellis Coffee Company**
Philadelphia – Coffee & Tea
- 13 Hershey Creamery**
Hershey, PA – Ice Cream
- 14 Elysian Fields**
Waynesburg, PA – Lamb (Not Pictured)
- 15 Milton Hershey School**
Hershey, PA – Microgreens
- 16 Samuels Seafood**
Philadelphia, PA – Seafood
- 17 Allegheny Valley Dairy**
Mohnton, PA – Yogurt, Sour Cream
- 18 Citterio**
Freeland, PA – Italian Prosciutto
- 19 Sandy Ridge Farms**
Elizabethtown, PA – Eggs



For HE&R, nourishing our community does not stop at our restaurants or our guests. We are also devoted to supporting local organizations and programs that provide food to the hungry and increase food security for our most vulnerable neighbors — a need that came to the forefront during the COVID-19 pandemic.

All of these efforts do more than just sustain our community. They help it flourish.

Cocoa Packs

In August 2021, HE&R partnered with Cocoa Packs, a Hershey-based nonprofit organization serving more than 1,400 food-insecure children year-round through its food rescue program. As of November 2021, we donated an estimated 2,500 pounds of good food to children. Every week, food that normally would be discarded instead is used to nourish children in the Cocoa Packs program. This food-recovery partnership is unprecedented in the Hershey area. As needs have increased in our area, so has the role of Cocoa Packs as it has expanded beyond providing food. We donated 15 boxes of new clothing to be distributed to children in need, and we sponsor the organization's annual gala.

Hershey Community Garden

Each growing season, HE&R and The Hershey Company maintain a plot at the Hershey Community Garden and donate all harvested produce to area food banks. The garden yielded 3,400 pounds of fresh produce in 2020 and 3,030 pounds in 2021. In 2020 and 2021, the garden produced 1,000 vases of fresh flowers that were donated to local nursing homes. Each year, HE&R also donates funds for garden upkeep and labor to maintain the garden plots and walkways.

Hershey Food Bank

For nine years, HE&R has partnered with Hershey Food Bank to host Feed the Need, an event that has raised more than \$1 million for this vital community organization. HE&R continues to provide financial contributions on behalf of team members throughout the year, recognizing the needs of our community members have increased.

An aerial night photograph of Hershey Park. In the background, several roller coasters are illuminated with bright lights, their tracks winding through the dark landscape. In the foreground, a large, dense crowd of people is gathered in an open area, possibly for a concert or event. Bright stage lights are visible, casting a glow over the crowd. The overall scene is vibrant and festive, capturing the excitement of a night at the park.

Fun Today So Our Community Can Flourish Tomorrow



A Letter From Our Managing Director of Corporate Communications & Community Relations

Our planet is our first home. And, like a home, it is where our children live, grow, and flourish. We must protect it. At Hershey Entertainment & Resorts, we have a deep commitment to treating our planet like a home.

At our properties, in all our efforts, with all our people, we are taking steps to protect our planet. Some measures, such as paperless check-ins and checkouts at our resorts, might seem smaller. Some, like our zero landfill waste, are major. They all matter.

Because they all ensure that our first home will be a welcoming place — one where our children and grandchildren can all enjoy equitable access to the majesty of our planet's natural resources.

I am so proud to work for an organization with so many people who provide fun today that allows for our planet to flourish tomorrow.

Thank you,

Kathleen McGraw
Managing Director, Corporate Communications & Community Relations



Our Planet



Reducing Our Impact: Hershey's Chocolatetown

The construction of *Hershey's Chocolatetown*® region at *Hersheypark* had some sweet effects on the environment. It reduced flood risk in three key areas: floodplain management, upstream stormwater management, and topographic modifications. The net result lowered the flood elevation in the project area by four inches. The *Hershey's Chocolatetown* project removed the channelized walls, bridges, and other flood impediments, which created a more naturalized floodway and expanded floodplain.

And that is just one example of how we look to reduce our impact on the environment.

Electricity Demand Response

In partnership with our township electric provider, HE&R participates in the Demand Response Program, an energy-saving strategy that goes into effect when there is heavy demand on the electric grid.

Electricity Charging Stations

Both *The Hotel Hershey* and *Hershey Lodge* resorts have electric charging stations, providing an important service for our guests who use electric vehicles to reduce their gasoline usage and greenhouse gas emissions.

Company-wide Initiatives

Clean the World

HE&R participates in the Clean the World hotel recycling program. The program collects discarded soap and plastic amenity bottles from hotels and donates these hygiene products to impoverished people. Every year, this helps prevent millions of hygiene-related illnesses and deaths.

Paperless Processing

Since 2019, both *The Hotel Hershey* and *Hershey Lodge* resorts have had a paperless check-in and checkout process, which positively impacts forestry.

Plastic Usage

At all our restaurants, we make paper straws available, and we make every effort to avoid using plastic. This also contributes to sound forest management.

E-waste Recycling

In 2020, we collected 7,634 pounds of e-waste for recycling. In 2021, we had 6,424 pounds of e-waste.

Stormwater management

To reduce the flood risk caused by stormwater, HE&R constructed a 110,000-cubic-foot underground concrete storage vault at *Hersheypark*. This first-of-its-kind facility manages stormwater volume and the rate it gets released into Spring Creek.

Impact Reduction BY THE NUMBERS



23

new tree species added to *Hersheypark* during *Hershey's Chocolate*town expansion



87%

of survey respondents view HE&R as “considerably” or “highly” environmentally conscious within its community

Fun Today So Our Planet Can Flourish Tomorrow

RECYCLING: BY THE NUMBERS

2020

64.4

tons of paper

6.4

tons of plastic

6.4

tons of aluminum

22.5

tons of glass

193.1

tons of cardboard

Mature Trees
Enough to produce 47,862,292 sheets of newspaper
3,863



Cubic Yards of Landfill Space
Enough airspace to meet the disposal needs of 1,359 people
1,058



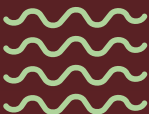
kW Hours of Electricity
Enough to power 44 homes for a full year
466,976



Metric Tons of CO₂ Emissions
Preventing greenhouse gas emissions
1,045



Gallons of Water
Enough to meet the freshwater needs of 24,036 people for a year
1,802,723



In 2020, our recycling made a difference.

In 2021, our recycling measures made an impact.

4,923 Mature Trees
Enough to produce 43,752,955 sheets of newspaper

1,349 Cubic Yards of Landfill Space
Enough airspace to meet the disposal needs of 1,242 people

595,113 kW Hours of Electricity
Enough to power 40 homes for a full year

1,331 Metric Tons of CO₂ Emissions
Preventing greenhouse gas emissions

2,297,387 Gallons of Water
Enough to meet the freshwater needs of 21,972 people for a year

82.0

tons of paper

8.2

tons of plastic

8.2

tons of aluminum

28.7

tons of glass

246.1

tons of cardboard

2021



Responsible Growth

At HE&R, we believe our growth benefits our people, our communities, and especially our children. We also believe that growth must be responsible. At every turn, we are striving to reduce our environmental impact and enhance sustainability through strategies such as water recapture and on-site maintenance. By working with our team members, guests, suppliers, and partners in our environmental efforts, we can provide a cleaner, greener experience while we continue to grow.

Relocating Local Creatures

During the construction of *Hershey's ChocolateTown* and the Spring Creek diversion, brown trout and frogs temporarily were relocated to safer upstream areas, another example of how we are committed to responsible growth.

Spring Creek Golf Course

At Spring Creek Golf Course, we are working with MHS to protect the environment through fertilizer chemical reduction, water conservation, and responsible wildlife and habitat practices.

Golf Course Audubon Society Certifications

Both the East and West courses of *Hershey Country Club* and Spring Creek Golf Course have been recertified by the Audubon Cooperative Sanctuary Program. To warrant our Audubon Certification, many measures and initiatives were activated, including planting flower gardens, building bluebird houses, establishing chemical-free zones, and installing wastewater recycling systems.

LEED Certifications

The Hotel Hershey resort received LEED Silver Certification from the U.S. Green Building Council for its Grand Expansion, which included the addition of *Harvest*SM restaurant & bar and our *Woodside Cottages*SM premium accommodations.



ZooAmerica® North American Wildlife Park is so much more than a captivating educational attraction. The foundation of its operating practices is to protect, promote, and encourage the conservation of wildlife, natural resources, and habitats. ZooAmerica maintains a high standard of animal management and care, along with a thorough commitment to conservation. Essential to the ZooAmerica mission is its effort to teach guests about protecting and nurturing these precious resources. From 2019 through 2021, 25,000 guests participated in a variety of educational opportunities.



ZooAmerica and its staff are active in wildlife protection and environmental conservation. Recent conservation initiatives include a Regal Fritillary Butterfly project, Monarch Butterfly tagging, an on-site pollinator garden, and additional nest box projects for American Kestrels, Prothonotary Warblers, Wood Ducks, and Eastern Bluebirds.

In November 2021, ZooAmerica was once again granted accreditation by the Association of Zoos & Aquariums. This prestigious designation recognizes the Zoo's continued commitment to maintaining the highest standards of animal welfare and care, conservation, education, and safety, while providing an informative, educational, and entertaining experience.



Data and Performance



Data and Performance

This Impact Report marks a shift for HE&R. While it brings our most recent Corporate Social Responsibility report up to date, it also goes a step further by establishing a foundation for our ESG reporting. As such, we see this as a key moment for internal alignment to establish the structures and processes that are necessary to facilitate this reporting on a regular basis.

Substantively, this report spans 2019 to 2021. It includes the most current metrics available as of December 2021, although the reporting periods vary by metric. In the following reporting table, we have listed specific date ranges for each metric to provide for maximum transparency. We will look to standardize this system in future reports.

This report is built on two broadly recognized frameworks: the SASB framework, and the United Nations SDGs. Our future ESG reporting may include expanding into additional frameworks or metrics.

Governance

Diversity, Equity & Inclusion		Period
Ethnic/Gender Diversity of Independent Board of Directors	3 of 5 (60%) directors are gender/ethnically diverse	As of Dec. 2021
Ethnic Diversity of Independent Board of Directors	2 of 5 (40%) racially/ethnically diverse	As of Dec. 2021
Gender Diversity of Independent Board of Directors	2 of 5 (40%) directors are women	As of Dec. 2021

Environmental

Energy Management		Period
Electricity Consumed ¹	63,987,741 kWh	Dec. 1, 2020 - Dec. 1, 2021
Natural Gas Consumed ²	221,320 Dekatherms	Nov. 1, 2019 - Nov. 1, 2021
Percentage Grid Electricity	HE&R Future Area of Focus	
Percentage Renewable	HE&R Future Area of Focus	
Water Use		Period
Total Water Use	107,513,600 Gallons	2021
Carbon Emissions		
Greenhouse Gas Emissions	HE&R Future Area of Focus	

Footnotes

¹ Value represents use from HE&R's six main facilities
² Value represents use from three main accounts

Workforce

Employment Status³

Number of Casual (Part-Time) Seasonal Workers	4,076	Number of Full-Time Employees	1,427
Number of Casual (Part-Time) Ongoing Workers	766	Employee Satisfaction Survey - FT Response Rate	55%
Percentage of Employees Covered By Collective Bargaining Agreements	20.34%		

Diversity⁴

Minority Percentage (Employees)	20%	Female Percentage (Employees)	51%
Minority Percentage (Management)	5%	Female Percentage (Management)	43%

Competitive Pay⁵

Median Hourly Wage For All Hourly Employees	\$10.00	Median Hourly Wage For PT Hourly Employees	\$10.00
Percentage of Hourly Employees Earning Minimum Wage Or Higher	100%	Median Hourly Wage For FT Hourly Employees	\$18.04

Development⁶

Longevity of Employment (Hiring Date)	2021: 25%	2019-20: 23%	2015-18: 24%	Before 2014: 28%
Percentage of FT Workforce Classified As "Legacy" (At Least 25 Years Of FT Service)	10.16%			

Training

	2021	2020
Trainings Offered (Unique)	50	43
Number of Trainings Taken	16,189	

Milton Hershey School⁷

	2020-2021	2019-2020	2018-2019
Milton Hershey School Alumni Employed - FT	6	6	6
Milton Hershey School Alumni Employed - PT	20	24	21
Milton Hershey School June/July Internship ⁸	9	40	26
Milton Hershey School Student Employees	5	22	23

Social Ethics

Corporate Giving⁹

	2021	2020	2019
Corporate Giving - Cash	\$533,857	\$134,824	\$1,269,709
Corporate Giving - In Kind	\$134,449	\$223,965	\$723,253
Corporate Giving - Total	\$668,306	\$358,789	\$1,992,962
Total Value of Parks & Entertainment Tickets Provided To MHS Students & Faculty	\$14,597	\$4,888	\$405,190

Supply Chain

Food Sourcing

Percentage of Food Purchased That Meets Environmental And Social Sourcing Standards	HE&R Future Area of Focus
Percentage of Eggs That Originated From A Cage-Free Environment	HE&R Future Area of Focus
Percentage of Pork That Was Produced Without The Use Of Gestation Crates	HE&R Future Area of Focus

Footnotes

⁹ Some charitable giving was temporarily paused during the COVID-19 pandemic

Footnotes

³ As of July 1, 2021. 2021 total is through period 10 ⁴ As of July 1, 2021 ⁵ Jan. 1 to Dec. 31, 2020 ⁶ As of July 1, 2021 ⁷ August - July academic year ⁸ 2020-21 internship was virtual due to COVID-19



United Nations Sustainable Development Goals

In 2015, the United Nations established 17 global SDGs as “a shared blueprint for peace and prosperity for people and the planet.” The SDG framework is aspirational in its objective and broad in its scope, providing a vision for the world to rally behind. Achieving these goals by the U.N.’s deadline of 2030 requires all of us to do our part.

While HE&R supports all 17 of the goals, we have identified six SDGs that best align with our business, our Core Purpose, and the priorities of our stakeholders, as discussed on pages 12 and 13. These six are true to both the spirit of the HE&R brand and business, and to the priorities of our stakeholders. This list is not intended to be all-inclusive, as parts of our businesses affect many more SDGs than we have identified here. Rather, this list represents the SDGs that HE&R can make the greatest impact on through our work.

On the next page is a look at how HE&R’s businesses contribute to those six SDGs.

Sustainable Development Goals



Goal: Zero Hunger

End hunger, achieve food security and improved nutrition, and promote sustainable agriculture

How HE&R contributes toward the goal:

- Providing food for the hungry through Cocoa Packs and our food rescue program, our support of local food banks, and our community garden
- Sourcing food from local and regional farms and suppliers



Goal: Quality Education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

- Supporting quality education for children in need at MHS
- Providing project-based problem-solving initiatives and life and social skills development opportunities to MHS students
- Providing internship opportunities to students through Hersheypark Leadership Development Internship Program and Hospitality Internship Program



Goal: Gender Equality

Achieve gender equality and empower all women and girls

- Supporting our female workforce through our Women In Leadership Employee Resource Group
- Supporting quality education for all students at MHS
- Striving for increased female representation on our board and leadership



Goal: Decent Work and Economic Growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

- According to our latest independent economic impact study, we have directly and indirectly generated 14,645 jobs, \$1.19 billion in annual sales, and \$428.5 million in labor income in an average year
- Continually ranking among the top employers in our region
- Providing a positive work environment where team members can grow their careers. Ten percent of our full-time workforce has been with us for 25 years or longer.



Goal: Sustainable Cities and Communities

Make cities and human settlements inclusive, safe, resilient, and sustainable

- Continually ranking among the top employers in our region
- Committing to responsible growth and sustainable expansion
- Convening innovative, collaborative efforts to increase our community’s sustainability



Goal: Responsible Consumption and Production

Ensure sustainable consumption and production patterns

- Sourcing food from local and regional farms and suppliers
- Limiting waste through our food rescue program



Sustainability Accounting Standards Board Index

The SASB is an independent nonprofit organization that sets standards to guide companies’ disclosure of sustainability information. We used SASB frameworks for three industries: Hotels & Lodging, Restaurants, and Entertainment. The index below maps our responses to key indicators from those frameworks.

Energy Management

(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	(1) Data table and footnotes, pg. 61 (2, 3) We aim to report these metrics in the future.
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Water Management

(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	(1) Data table and footnotes, pg. 61 (2) HE&R does not operate in any regions of High or Extremely High Baseline Water Stress.
--	---

Labor Practice

(1) Median hourly wage, and (2) percentage of team members earning minimum wage	(1, 2) Data table and footnotes, pg. 62
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Supply Chain Management & Food Sourcing

Percentage of (1) eggs that originated from a cage-free environment and (2) pork that was produced without the use of gestation crates	(1) At <i>Hershey Lodge</i> , 100% of shell eggs are cage free, sourced from Sandy Ridge Farms in Elizabethtown, PA. At <i>Devon Seafood + Steak</i> , an estimated 50% originate from a cage-free environment. (1, 2) Our national food source suppliers (Sysco and US Foods) have committed to cage-free eggs and group-housed pigs, dependent on supply and customer demand.
Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	“Nourishing Our Community,” pg. 44 We supplement our efforts for local food sourcing with national suppliers (Sysco and US Foods) that are committed to providing us with products produced as ethically and sustainably as possible for both the animals and the workers involved.

Ecological Impacts

Number of lodging facilities located in or near areas of protected conservation status or endangered species habitat	“Responsible Growth,” pg. 56
Description of environmental management policies and practices to preserve ecosystem services	“Responsible Growth,” pg. 56

Climate Change Adaptation

Number of lodging facilities located in 100-year floodplain	None
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