

HERSHEY

CAGNY 2025 CONFERENCE

February 18, 2025

MICHELE BUCK

Chief Executive Officer

Forward-Looking Statement

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including but not limited to our 2025 Full-year Financial Outlook and other statements regarding our business outlook and financial performance. 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 risk and uncertainty. 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: 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; changes in raw material and other costs, along with the availability of adequate supplies of raw materials and the Company’s ability to successfully hedge against volatility in raw material pricing; the Company’s ability to successfully execute business continuity plans to address 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, regulations and policies, including taxes and tariffs; political, economic, and/or financial market conditions, including with respect to inflation, rising interest rates, slower growth or recession, changes in the U.S. administration, and other events beyond our control such as the impacts on the business arising from the conflict between Russia and Ukraine; risks and uncertainties related to our international operations; disruptions, failures or security breaches of our information technology infrastructure and that of our customers and partners (including our suppliers); 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, implementation or usage of our new enterprise resource planning system, including the ability to support post-implementation efforts and maintain enhancements, new features or modifications; and such other matters as discussed in our Annual Report on Form 10-K for the year ended December 31, 2024 and from time to time in our other filings with the U.S. Securities and Exchange Commission. All information in this presentation is as of February 18, 2025. 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

1 Consumer trends support long-term snacking growth and Hershey priorities and opportunities

2 We have a long history of evolving alongside the consumer

3 We are enhancing our cost structure through technology-enabled transformation

4 Our long-term profit and earnings growth prospects remain strong as cost environment normalizes

Hershey's unique 130-year legacy

is deeply grounded in a consistent consumer proposition



FOUNDING PRINCIPLES



Great Taste



Accessible



Beloved Brands



Purpose Driven

CORE STRENGTHS



Consumer and
Customer Centricity



Scaled and Efficient
Supply Chain



Tech-enabled Agility



Advanced Commercial
Capabilities

We have a track record of delivering differentiated results

Over the last 7 Years¹ ...

Average Organic Revenue Growth

+4.6%

Average Operating Profit Growth

+7.8%

Average Adjusted EPS

+10.6%

Average Free Cash Flow

+10.3%

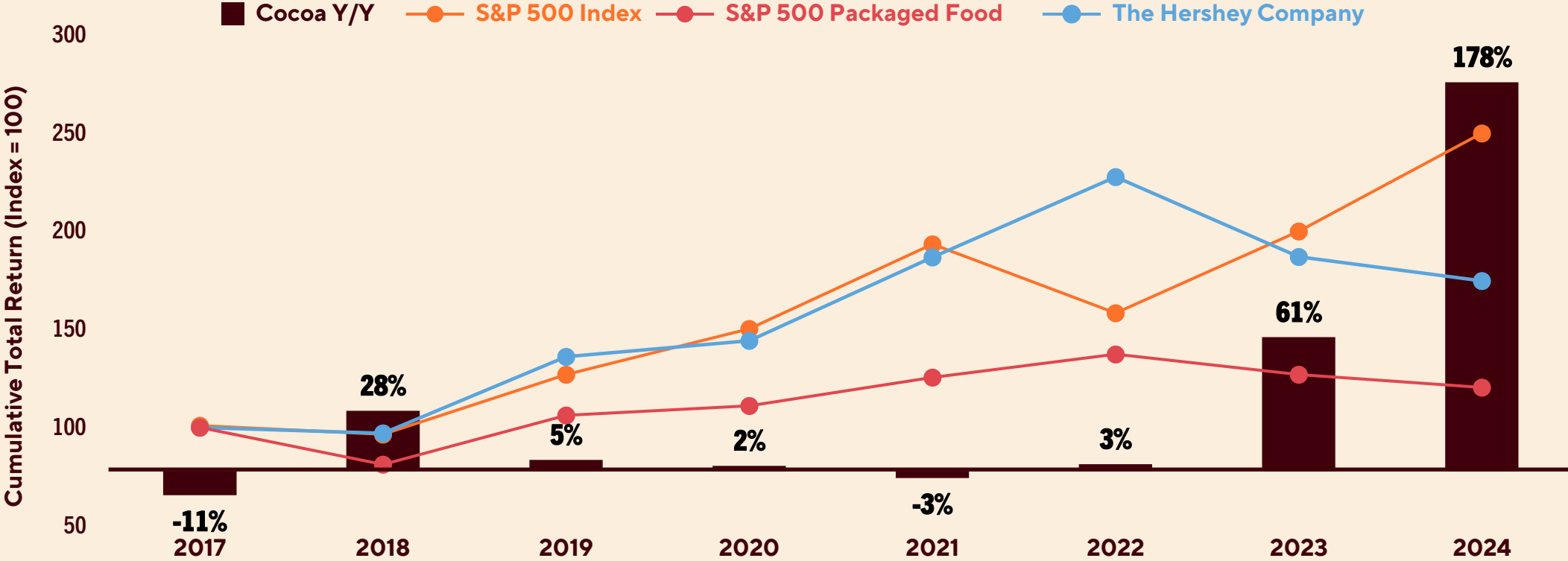
Annualized TSR²

+10.7% vs. Food +3.7%

Source: 1. Company Financials and Information 2017-24 | 2. FactSet. Annualized 7-Year TSR
See appendix for GAAP/Non-GAAP reconciliations.

Opportunity to return to historical levels of outperformance as cocoa costs normalize

Comparison of 7 Year Cumulative Total Return versus Cocoa Year-over-Year Changes



>45%

of U.S. consumers
eat 3 or more snacks a day

>50%

of U.S. consumers
see convenience as a top
need when snacking

~40%

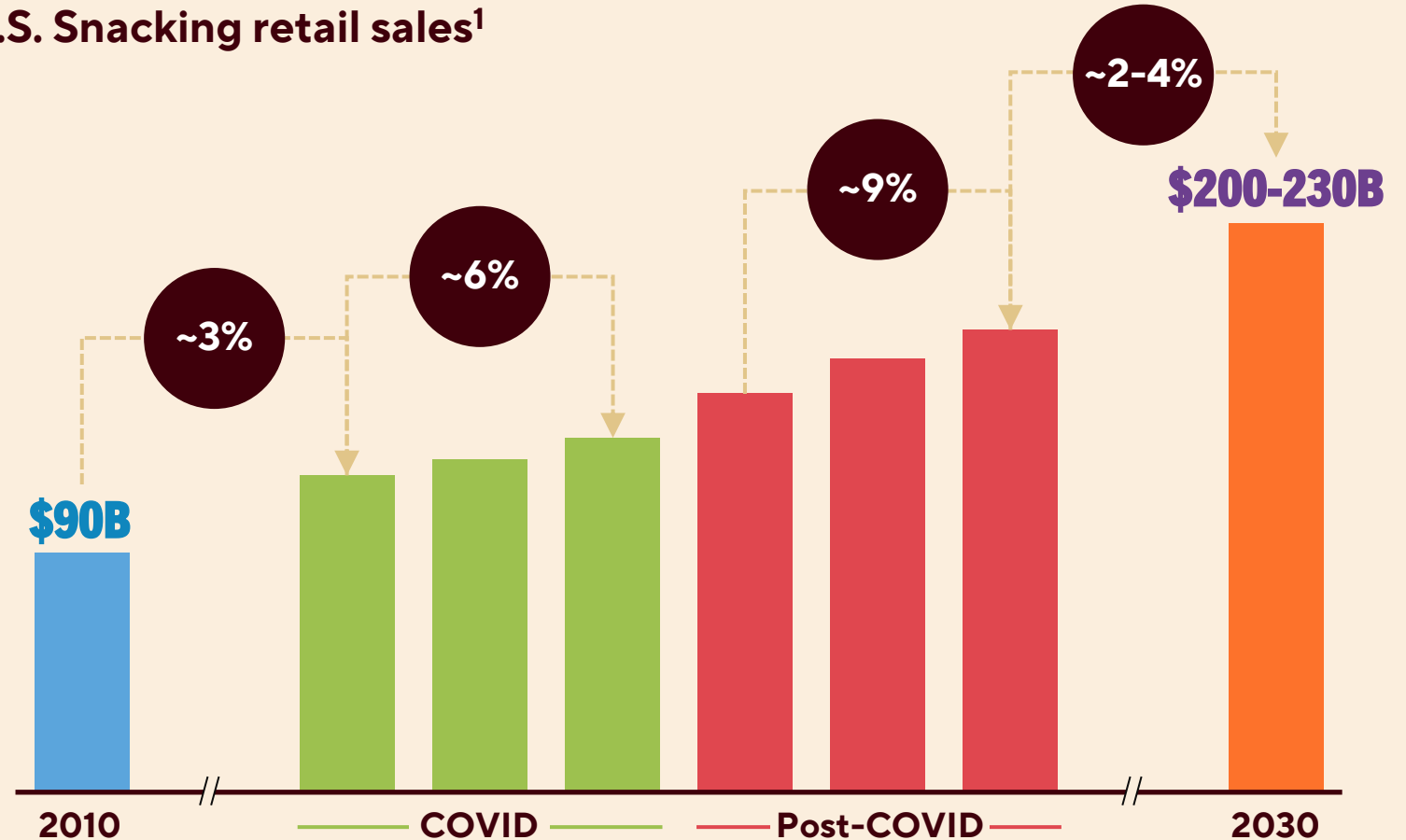
of consumers plan
on splurging on Food,
more so than other categories

15 p.p.

increase in consumer
sentiment today
vs. lows of mid-2022

Our Leading Snacking Powerhouse vision is supported by long-term consumer trends

U.S. Snacking retail sales¹



1. Includes Chocolate, Sweets (incl. Confectionery, Biscuits, and Ice cream), Salty

Source: Euromonitor, Circana, McKinsey ConsumerWise powered by Numerator ('22-'24), Snacking Consumer Research fielded November 2024

There are attractive pockets of outsized growth from accelerating consumer tailwinds

+12%

Better-For-You (BFY) snacking growth (e.g., clean ingredients, protein, zero sugar)

69%

global spend from Gen Z and Millennials by 2040 (+21 pp) with higher brand expectations

>10%

growth in Sweets, ahead of total Snacking, with consumers eating more sweets as they age vs. previous generation

>10%

growth in consumer spend on Chocolate and Sweets in Dollar, Digital & Club

1 in 4

U.S. consumers prefer Sweet & Salty snacks to Snacks that are just sweet or just salty

67%

of U.S. consumers snack to "satisfy a craving" and a third also seek to experience new flavors / products

We have a long history of evolving with the consumer

WE HAVE...

1

Diversified into Permissible Snacking

2

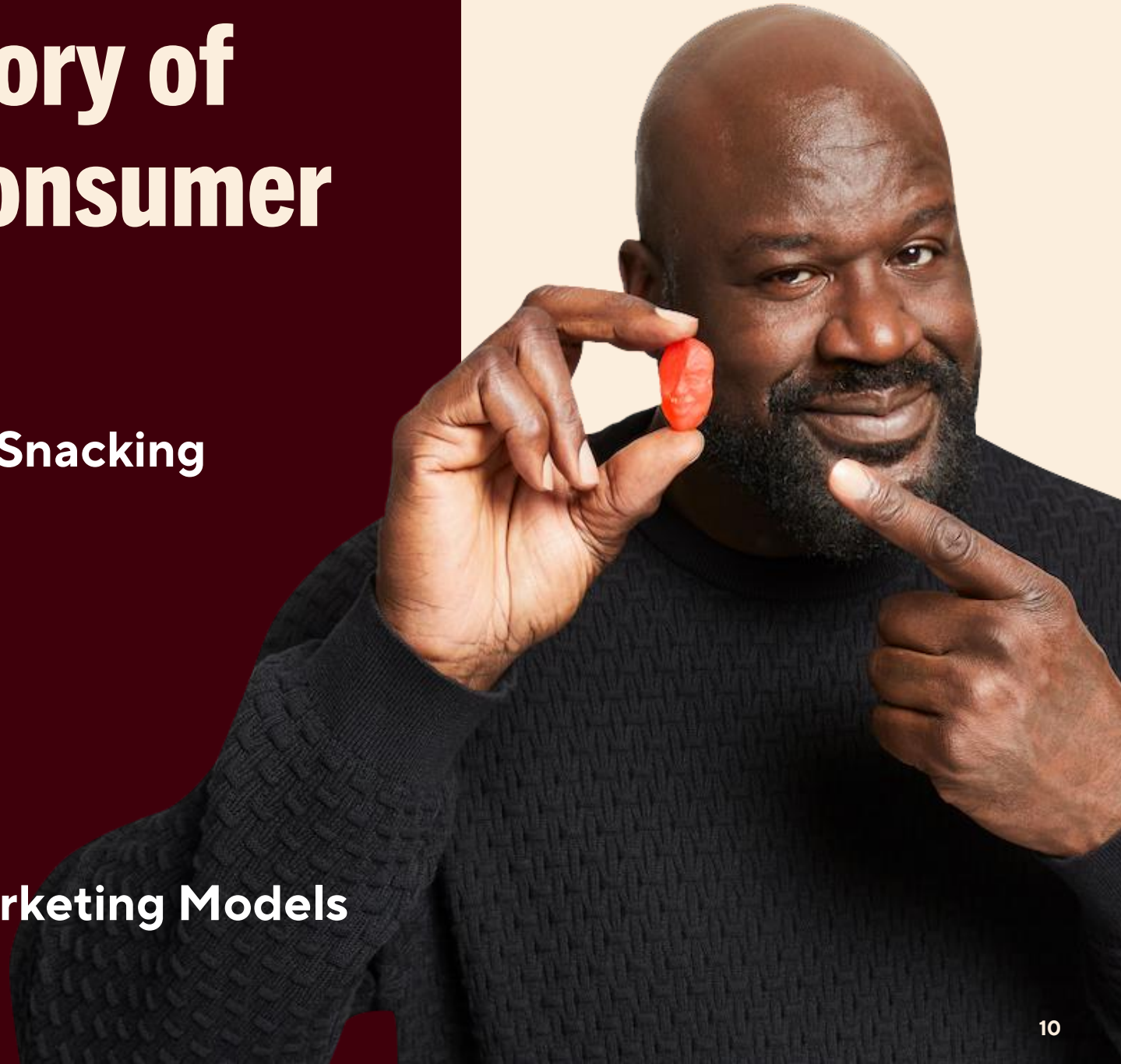
Shifted into Digital Media

3

Grown with Retail Evolution

4

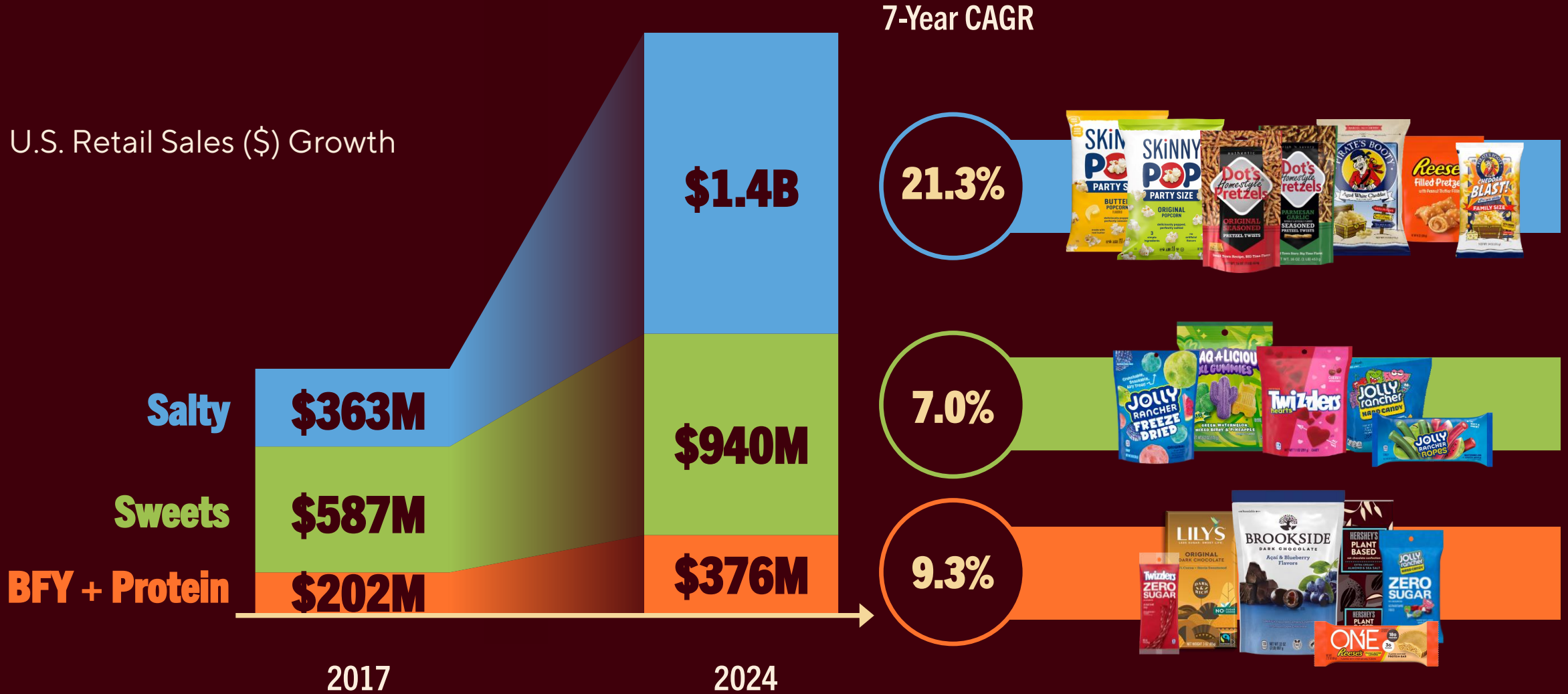
Launched New Brands & Marketing Models



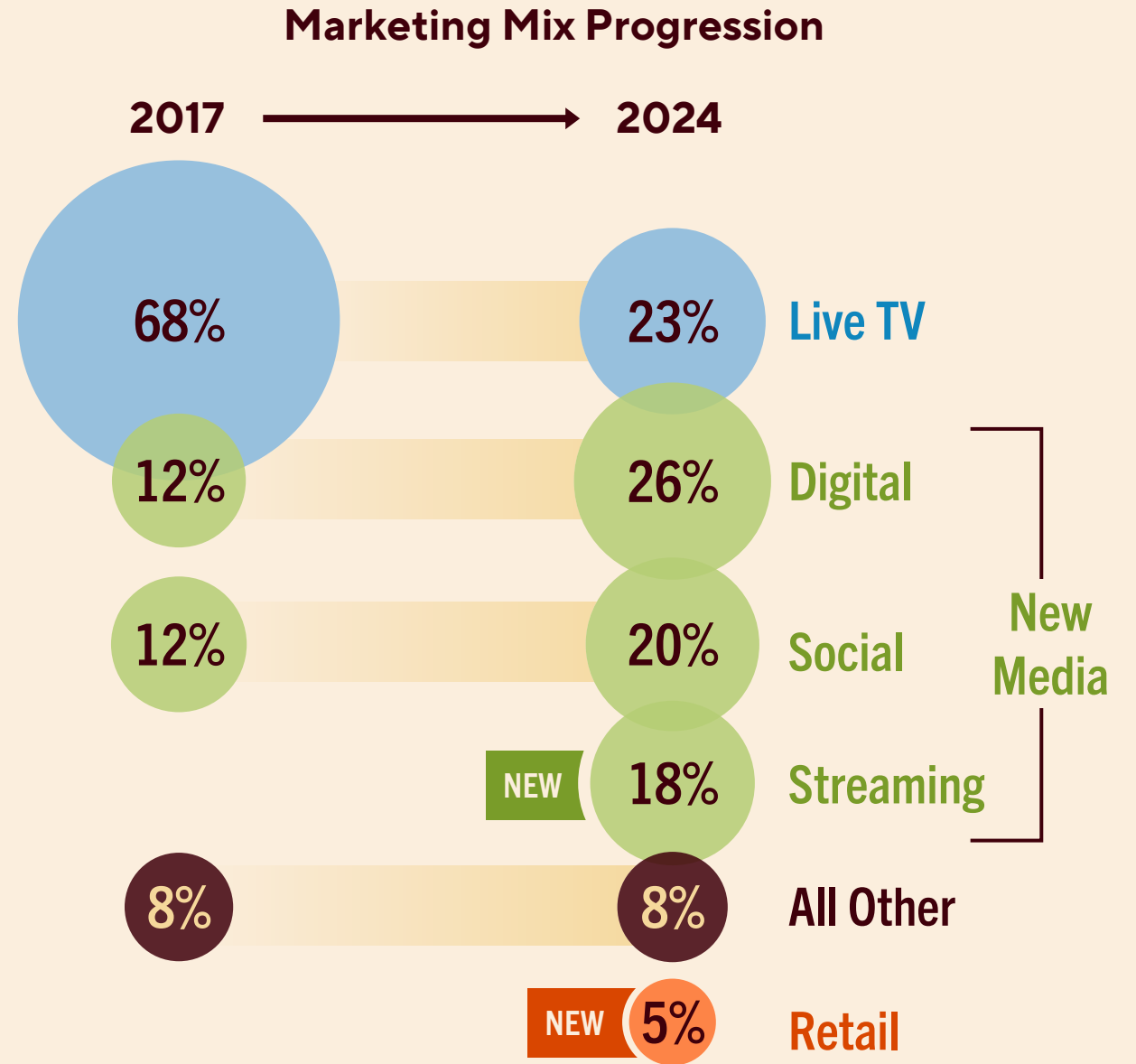
EVOLVING WITH THE CONSUMER

Growing in consumer-relevant categories

U.S. Retail Sales (\$) Growth



Adapting to consumers' changing media habits



Growth through Retail Evolution

Seismic shifts constant in retail as consumer habits change

1980s	Pay at the Pump	
1990s	Rise of Mass	
2000s	Self Check Out	
2010s	Club & Dollar Expansion	
2010s	Entrance of Digital	
Now	Omnichannel Evolution, Social Shopping	
Next	?	

But desire for our brands and right to win remain



Tapping into new marketing models

Influencer-Led Activations & Partnerships



Acquired a fast-growing, influencer-led **Sour Candy brand**



Licensing model with **Shaq** to launch new Sweets brand



Sponsor of the New Heights podcast with NFL Legends **Jason and Travis Kelce**



Official partnership with the WNBA's **Angel Reese**



Social & digital content and live events & activations with **Barstool Sports at the Big Game**

And the journey continues...

01 Delivering Superior Value

- Entry price points and front-end price pack differentiation
- Elevate value perception in aisle
- Disruptive innovation



02 Satisfying Consumer Needs

- New experiences (e.g. multi-texture, filled bars, sweet & salty)
- AI for new, culturally relevant concepts and partnerships



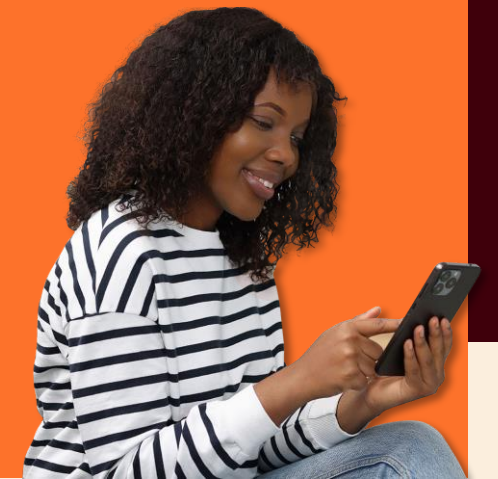
03 Elevating Healthier Snacking

- Address spectrum of conscious snacking needs in CMG
- R&D and new technology to enhance macros and experience



04 Unlocking New Shopping Behaviors

- Strategy and portfolio for underpenetrated channels
- Shopper solutions centered on occasions
- Omni and social shopping



NORTH AMERICA CONFECTIONERY



NORTH AMERICA SALTY SNACKS



INTERNATIONAL



NORTH AMERICA CONFECTIONERY



NORTH AMERICA SALTY SNACKS



INTERNATIONAL



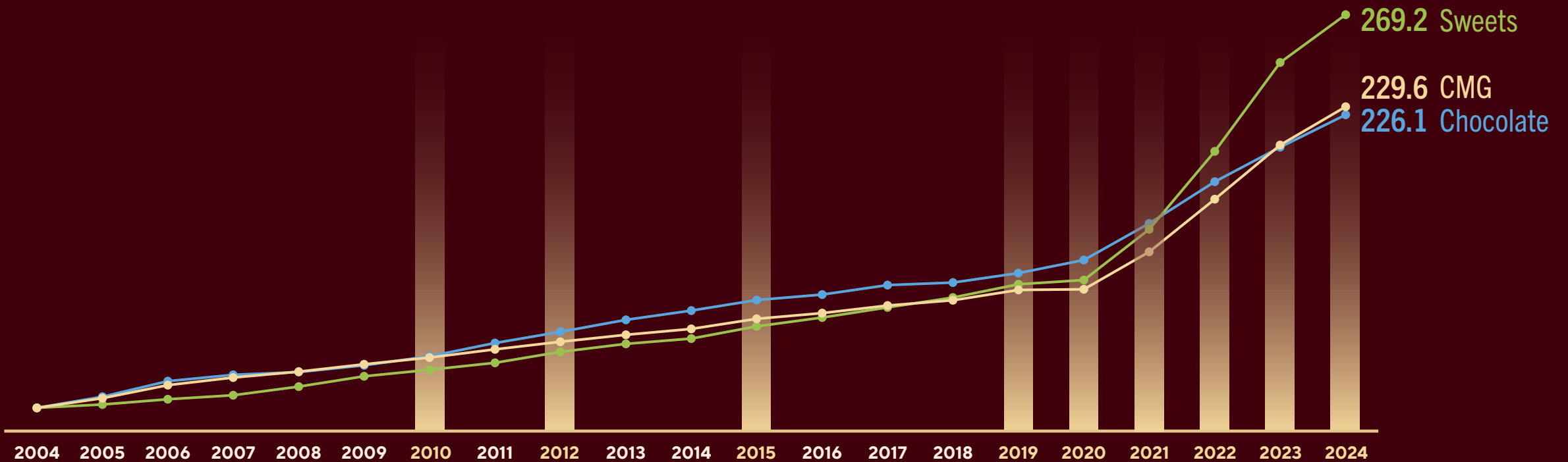
Resilient categories that are responsive to investments

Consistent growth through pricing cycles

Category Performance Over Time – U.S. Retail Sales \$

Indexed, Calendar Year 2004 = 100

CMG Pricing Action Cycles



Key Focus Area

NORTH AMERICA CONFECTIONERY

01 Reignite Chocolate

02 Accelerate Sweets

03 Win Seasonal Share



Reigniting chocolate through...



Innovation

>40%

Chocolate innovation
\$ vs 2023¹



Variety Brands Support

+35%

Incremental marketing
investment vs 2024¹



Shaping the Shelf

~40%

Gold Standard
Planogram
in Convenience¹

Accelerating sweets growth

New and authentic brands that resonate with young consumers



On trend flavors and forms leveraging core brands

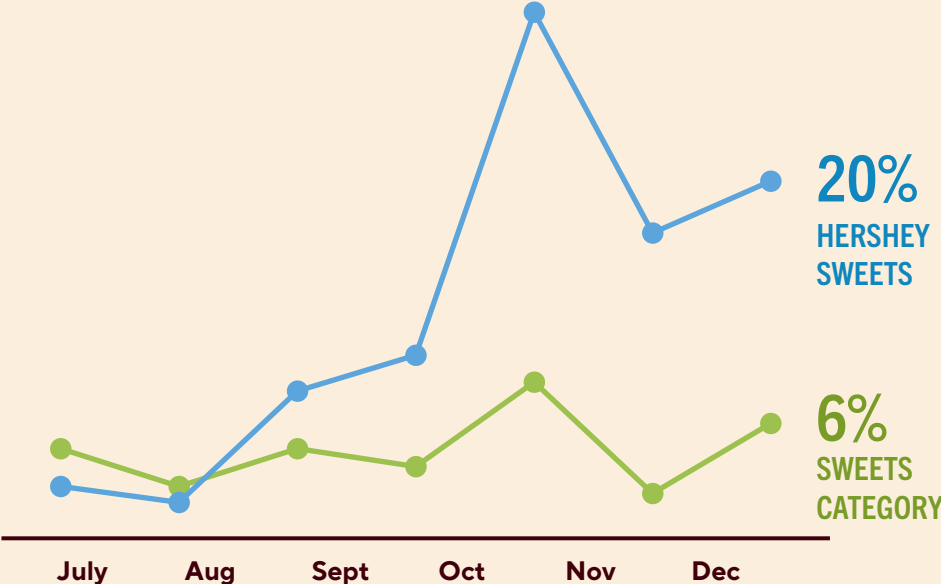


Enhanced seasonal assortments and offerings



Leveraging the momentum built in 2024

Quad Week U.S. Retail Sales Growth¹



NEARING **\$1B** IN RETAIL SALES

Winning seasonal share



Innovating on Top Brands

- New, fresh shapes to engage with the consumer
- Increased sweets offerings
- Beloved seasonal flavors



Winning Longer Easter

- Early execution
- New eye-catching merchandizing



Renovating Price/Value

- Protecting critical price points
- Focus on value pack-types

NORTH AMERICA CONFECTIONERY



NORTH AMERICA SALTY SNACKS



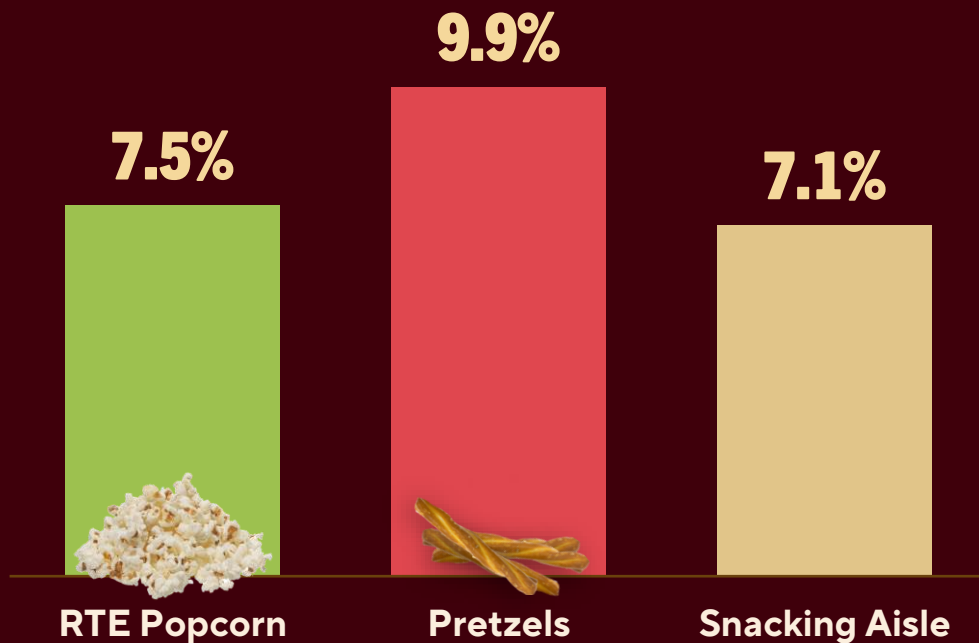
INTERNATIONAL



Leveraging disruptor playbook in select subcategories

Subcategories Growing Share of Total Snacking

5-Year CAGR⁴



Brands are Scaled, Integrated, and Primed to Lead

At Acquisition

2024



#2 in RTE Pop¹

\$309M
Retail Sales¹

#1 in RTE Pop³

\$604M
Retail Sales³



#3 in Pretzels²

\$160M
Retail Sales²

#2 in Pretzels³

\$515M
Retail Sales³

Key Focus Areas

NORTH AMERICA SALTY SNACKS

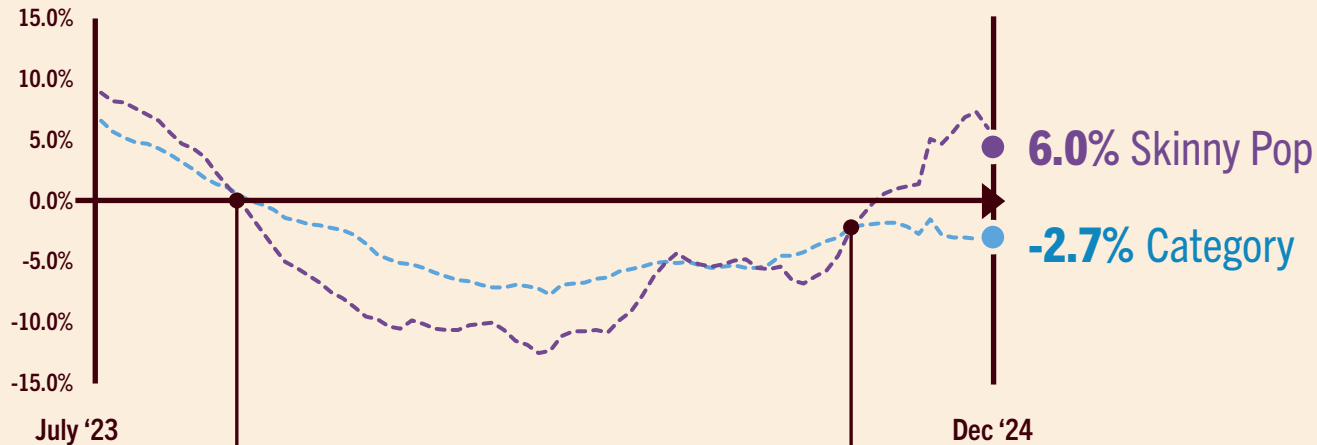
- 01** Reinvigorate SkinnyPop
- 02** Invest in Dot's momentum
- 03** Expansion into White Spaces



Reinvigorate SkinnyPop Growth with Significant News

SkinnyPop Trends Improving despite category pressures

Rolling L12W \$ Growth



Oct '23
Value and satiety seeking behavior impacts category

Oct '24
Share gains driven by investments, execution and innovation

Exciting Brand Transformation To Drive Growth in 2025+

New Packaging Excitement

Celebrity Brand Partner

Light, Savory Innovation

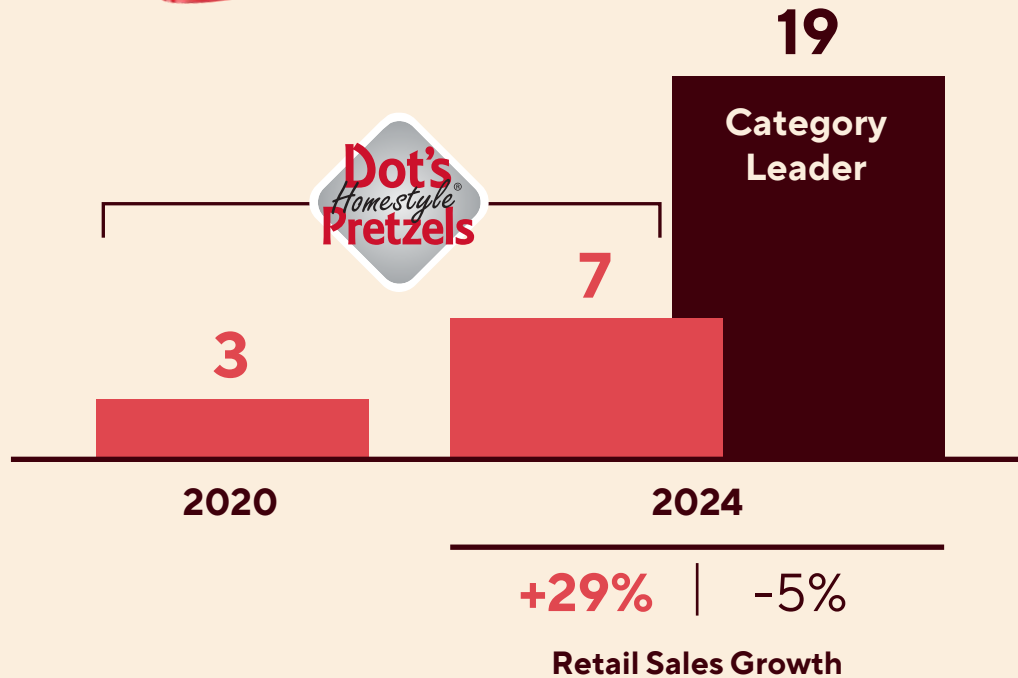
From 6.7oz to 4.4oz/8.0oz
New Price Points

Investing in Dot's Strong Momentum

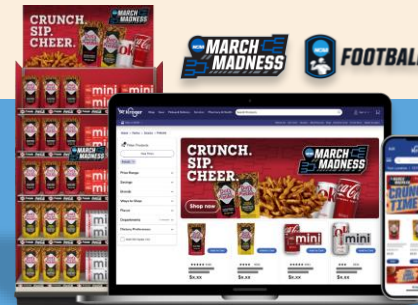


Significant Runway for Expansion

Average Items Per Store



Powering Brand through Scaled Investment



Partnership Programs and In-Store Activations

Big Flavor Innovation



Increasing Media Reach +30%

Unlocking Value Through Confection and Salty Scale



White Spaces



Multipacks



Cross Category Displays



Retail Sales Team

NORTH AMERICA CONFECTIONERY



NORTH AMERICA SALTY SNACKS

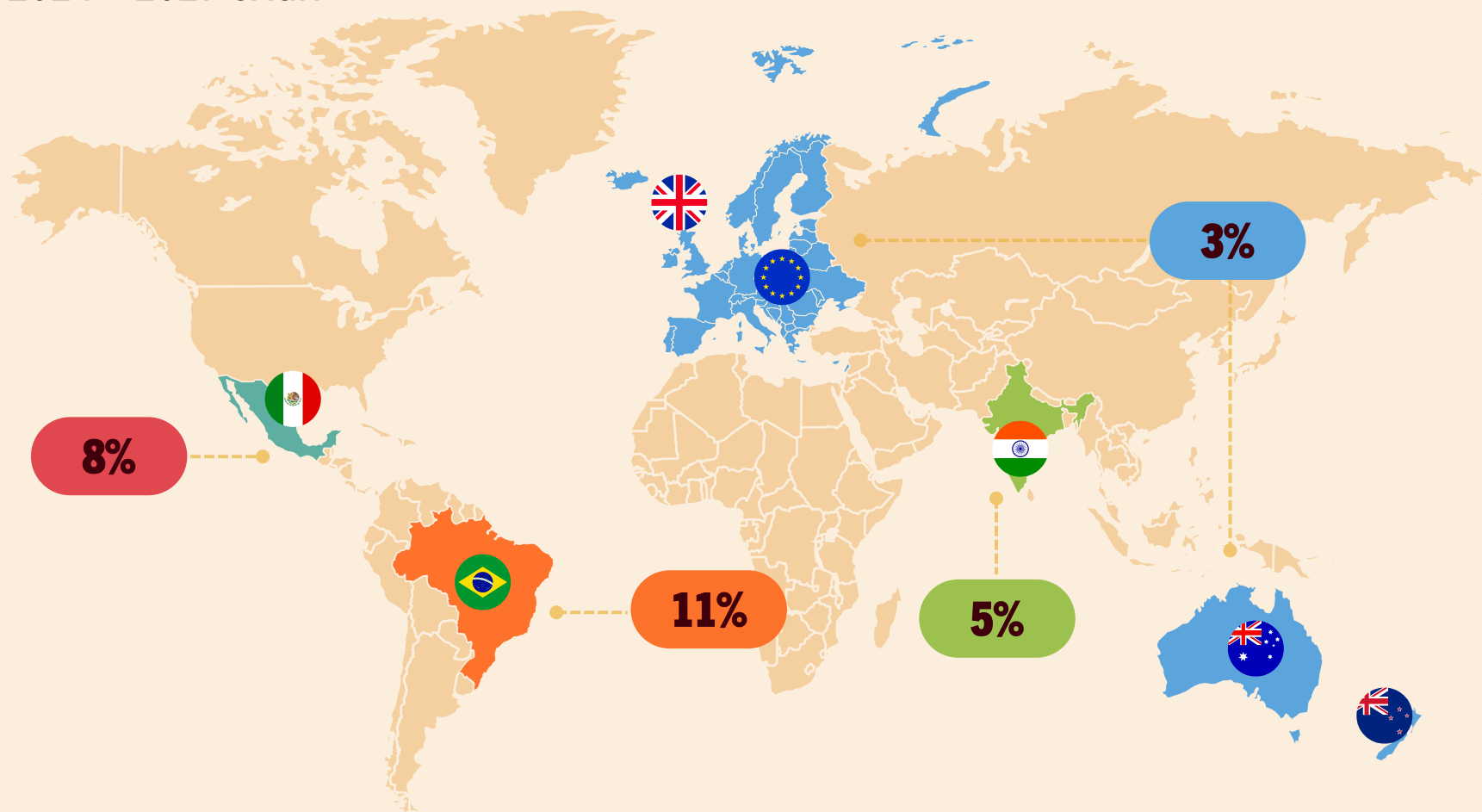


INTERNATIONAL



Focused Model for Balanced Growth

Projected Chocolate Category Retail Sales
2024 – 2027 CAGR¹



Net Sales²
4.4%
7-Year CAGR

Operating Income²
+\$154M
vs 2017

Key Focus Areas

INTERNATIONAL

01 Win with Reese's

02 Differentiated Innovation

03 Strengthen India and Brazil



Driving International Growth



Win with Reese's

- Leverage U.S. playbook for trial, distribution and seasons
- Drive double digit growth via acceleration in Europe + entry into untapped markets



Differentiated Innovation

- Differentiation through taste, texture and size
- Trial-enabling price points
- Elevating occasions and celebrations



Strengthen India and Brazil

- Leverage portfolio breadth and strengthen route to market in India
- Build on Hershey position (#3 share) in Brazil through portfolio expansion and optimization

NORTH AMERICA CONFECTIONERY



NORTH AMERICA SALTY SNACKS



INTERNATIONAL



M&A

to accelerate growth



M&A Criteria



On-trend
Categories



Scale
Brands



Incremental
Occasions



Strong
Gross Margins

WE WILL EMERGE FROM CURRENT HEADWINDS

stronger, more efficient, more agile

What We Have Done

- ✓ Fewer, better, bigger innovation
- ✓ Expanded media reach and enhanced promotional effectiveness
- ✓ Optimized price points
- ✓ Set up a stronger digital foundation
- ✓ Transformed the operating model

Current Actions

- ✓ Reimagine innovation and R&D
- ✓ Deploy holistic commercial investment model
- ✓ Enhance price ladders and pack architecture
- ✓ Invest in next-gen capabilities
- ✓ Revitalize P&L through automation
- ✓ Action against persistent cocoa inflation

STEVE VOSKUIL

Chief Financial Officer

Reaffirming 2025 Outlook

Opportunity for outsized earnings growth
in 2026+ through transformation program
and commodity cost normalization

Reported and Organic
Net Sales Growth **At Least 2%**

Reported Earnings
Per Share Growth **Down High-40%**

Adjusted Earnings
Per Share Growth **Down Mid-30%**

We remain committed to key financial principles



Commercial

- Growth and share priority
- Pricing to cover input cost inflation
- Balanced price and volume growth
- Productivity to offset supply chain inflation
- Reinvest in brands and categories
- Tech-enabled transformation to optimize cost structure



Capital

- Protect dividend and grow in-line with earnings long-term
- Disciplined capital spending
- Net leverage ratio of 1.5 – 2.0x with willingness to stretch for attractive acquisitions

We are taking significant action to address cost headwinds ...and we are prepared to do more



Implementing

double-digit pricing on
half of US Confection



Growing

revenue and identifying
profit accretive M&A



Upsizing

transformation program
savings target



Driving

stronger ROI on
commercial investment



Leveraging

supply chain scale
and sourcing diversification



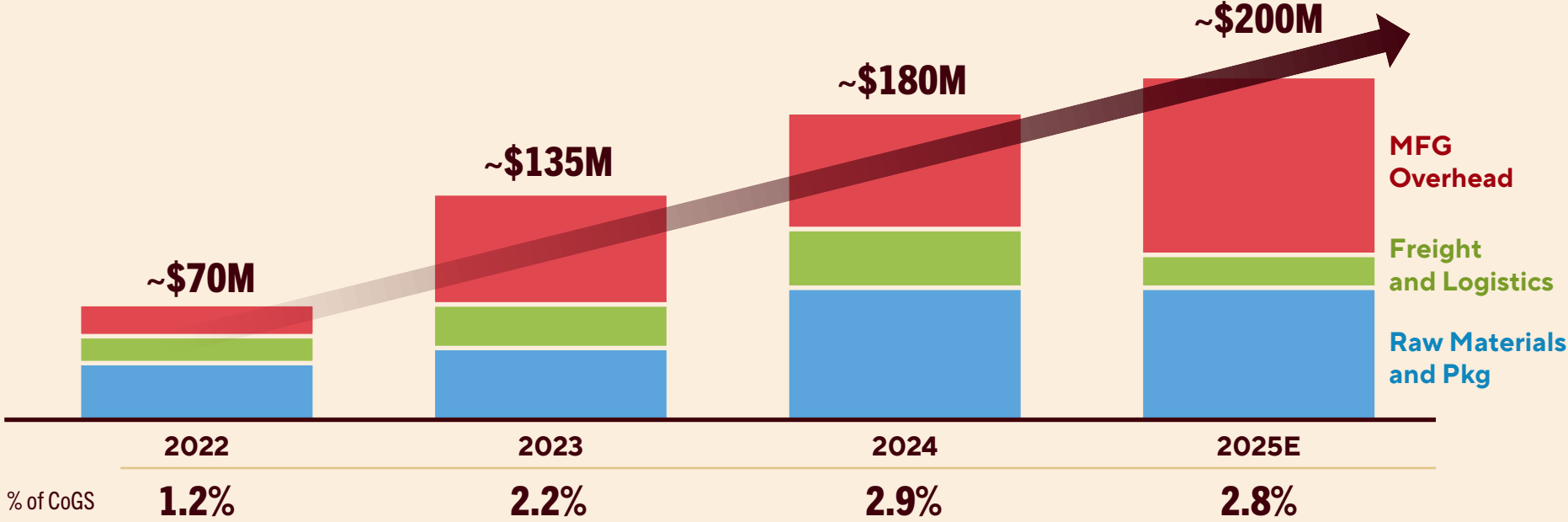
Delivering

working capital
improvements

Driving Supply Chain Savings with Greater Opportunity Ahead

Opportunity to drive greater improvements enabled by S/4 Hana and Transformation Program

Supply Chain Savings Over Time
Continuous Improvement + Transformation



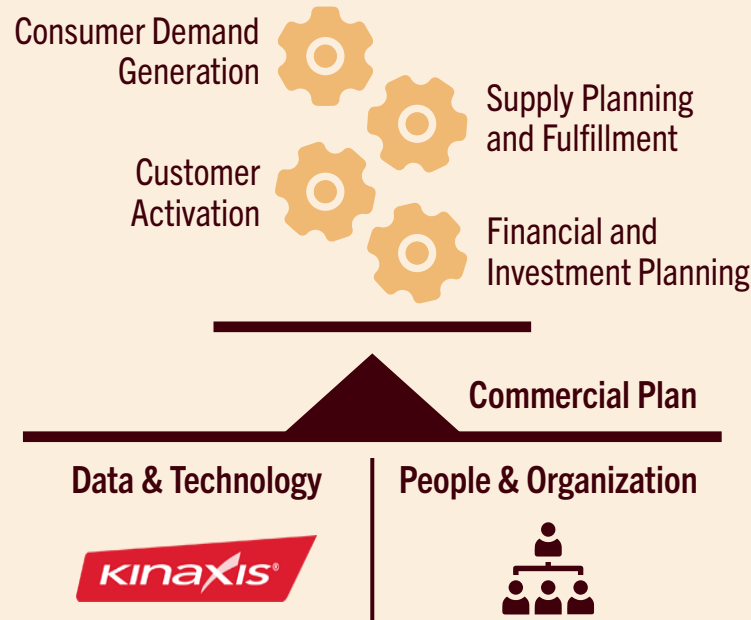
Transformation Enabling Growth & Agility Investments

WHAT'S DONE

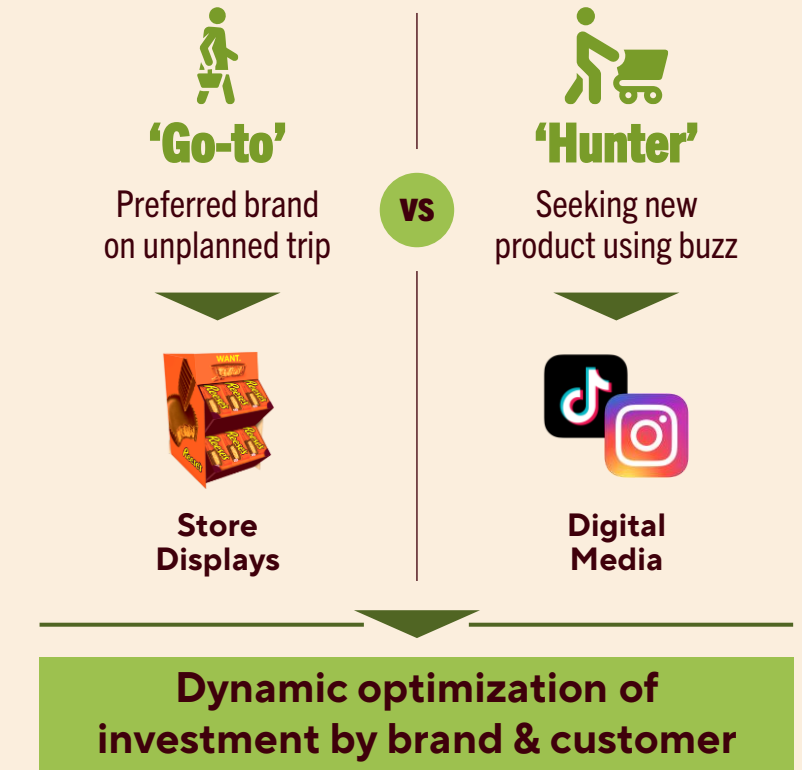
- ✓ Upgraded digital foundation
- ✓ Advanced data quality
- ✓ Harmonized route-to market
- ✓ Accelerated innovation
- ✓ Drove back-office efficiencies

WHAT'S NEXT

01 Integrated Dynamic Planning

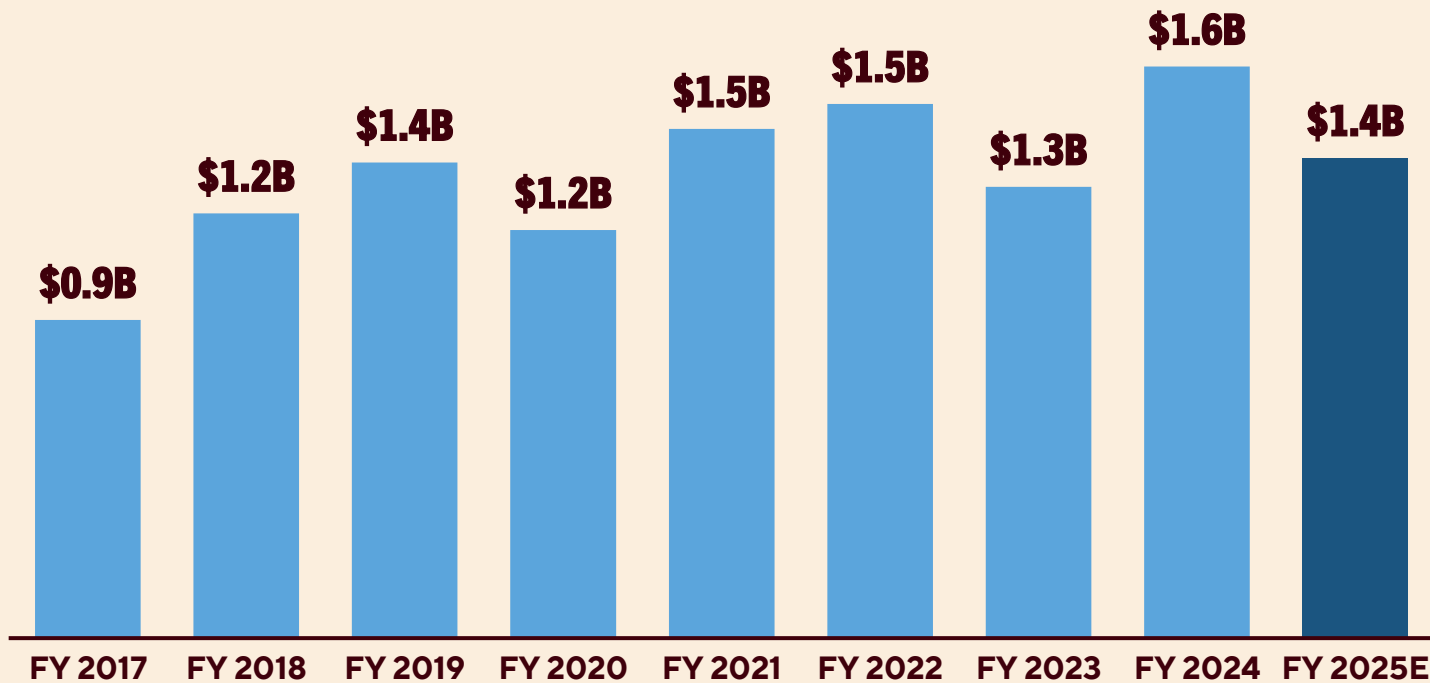


02 Holistic Commercial Investment



Disciplined cash management enables reinvestment and shareholder value creation

Strong Free Cash Flow Generation despite cocoa cost pressure



CAPITAL ALLOCATION PRIORITIES

01



Business Reinvestment
(including M&A)



Dividend
Payout ratio of 50%+

02

Dynamic Allocation:



Leverage Ratio
Target 1.5-2.0x



Share Buyback

Confident in our Long-term Outlook

2-4% Net Sales Growth

Driven by:

- North America Confectionery +LSD
- North Salty America Salty Snacks +MSD
- International + MSD

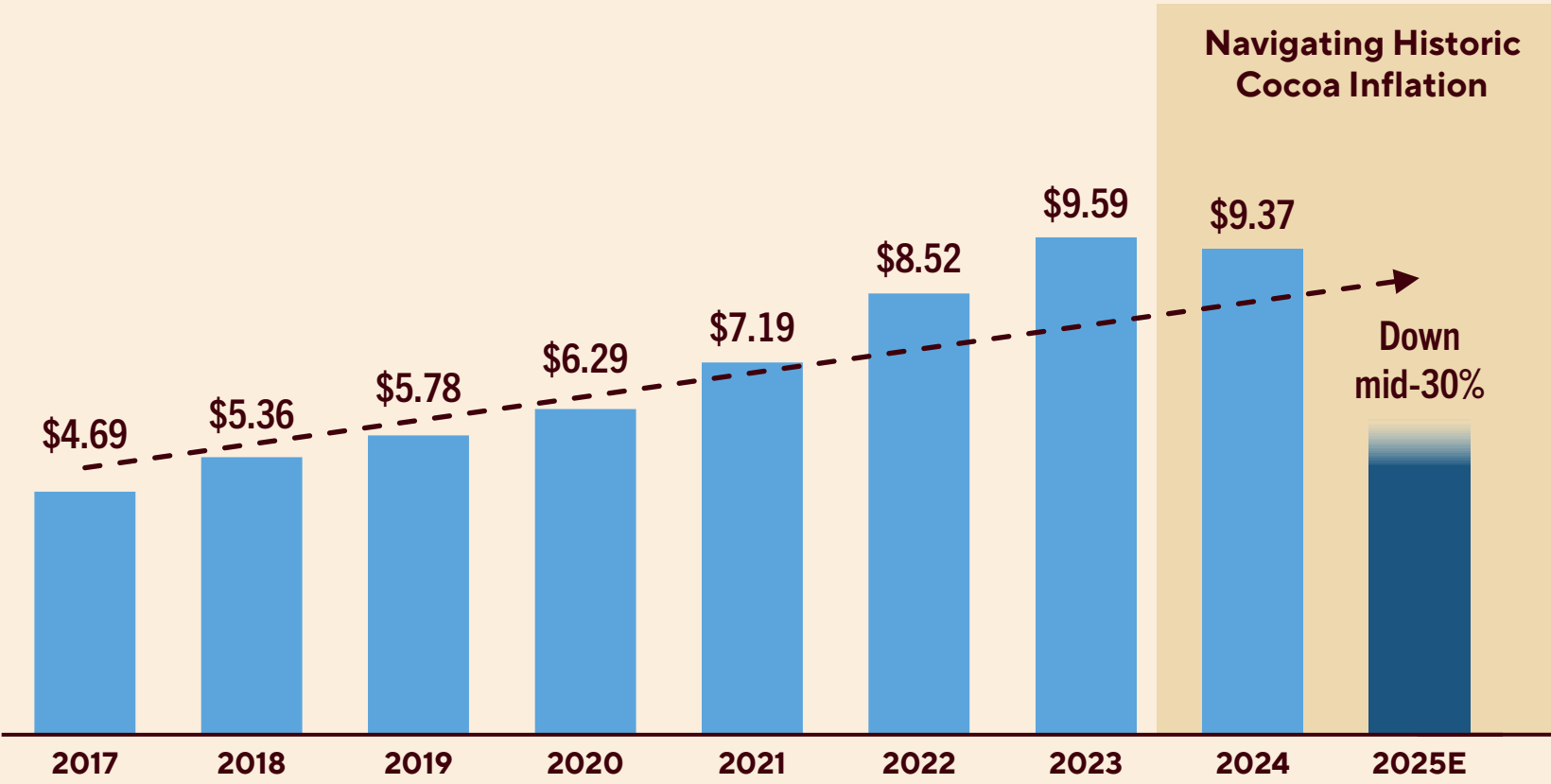
6-8% Adj. EPS Growth

Driven by:

- Fixed Cost Leverage
- Revenue Growth Management
- Media Optimization
- Productivity/Transformation Efficiencies
- Continued Tech and Capability Investment

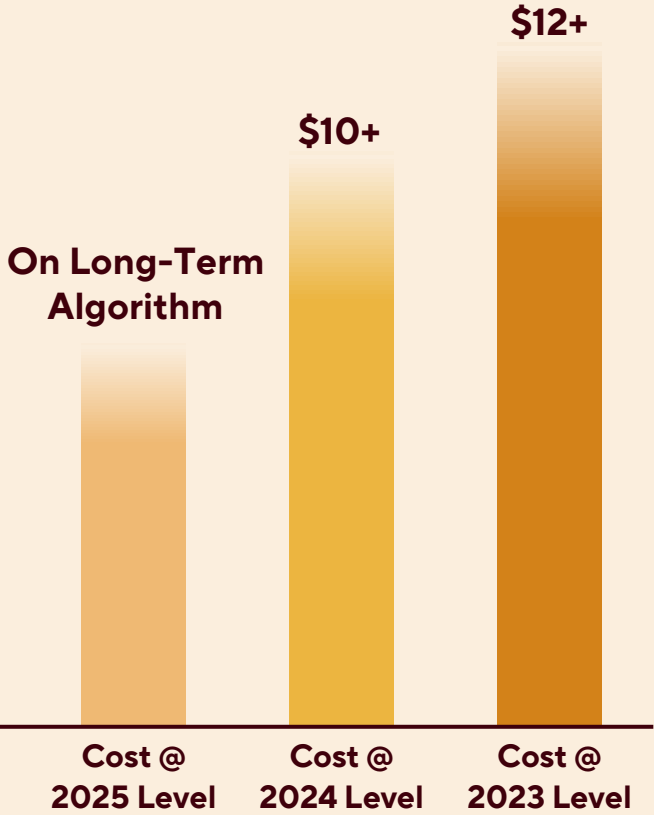
With Upside Opportunity as Cocoa Costs Normalize

Hershey Adjusted Earnings per Share



2026 Adj. EPS

Hypothetical Scenarios at Historical Cocoa Cost



KEY TAKEAWAYS

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4 Our long-term profit and earnings growth prospects remain strong as cost environment normalizes

Q&A

Organic, Constant Currency Net Sales Growth

Reconciliation of GAAP and Non-GAAP information

For the year ended December 31,	2017	2018	2019	2020	2021	2022	2023	2024
Components of Net Sales Growth								
Percentage Change as Reported	1.0%	3.7%	2.5%	2.0%	10.1%	16.1%	7.2%	0.3%
Impact of Foreign Currency Exchange	0.2%	-0.2%	-0.3%	-0.5%	0.4%	-0.2%	0.2%	-0.1%
Impact of Acquisitions/Divestitures	0.3%	3.6%	1.0%	0.5%	1.0%	4.3%	0.0%	0.0%
Percentage Change on Organic Constant Currency Basis	0.5%	0.3%	1.8%	2.0%	8.7%	12.0%	7.0%	0.4%

Year-ending: December 31, 2024

Reconciliation of GAAP and Non-GAAP information

In Millions of Dollars Except Per Share Amounts	Gross Profit	Operating Profit	Net Income	Income Per Share-Diluted
GAAP results	\$5,300.9	\$2,898.2	\$2,221.2	\$10.92
Adjustments:				
Derivative mark-to-market losses	(460.4)	(460.4)	(391.9)	(2.26)
Business realignment activities	12.2	117.5	89.3	0.58
Acquisition and integration-related activities	2.3	45.3	34.3	0.22
Other miscellaneous benefits	-	(5.3)	(2.9)	(0.03)
Tax Reserve Adjustment	-	-	(43.0)	-
Tax effect of all adjustments reflected above	-	-	-	(0.06)
Non-GAAP results	\$4,855.0	\$2,595.3	\$1,907.0	\$9.37

As reported
gross margin **47.3%**

Non-GAAP
gross margin (1) **43.3%**

As reported
operating
profit margin **25.9%**

Non-GAAP
operating profit
margin (2) **23.2%**

Year-ending: December 31, 2023

Reconciliation of GAAP and Non-GAAP information

In Millions of Dollars Except Per Share Amounts	Gross Profit	Operating Profit	Net Income	Income Per Share-Diluted
GAAP results	\$4,997.8	\$2,560.9	\$1,861.8	\$9.06
Adjustments:				
Derivative mark-to-market losses	58.9	58.9	48.7	0.29
Business realignment activities	0.5	3.4	2.7	0.01
Acquisition and integration-related activities	(1.7)	75.9	57.6	0.37
Tax effect of all adjustments reflected above	-	-	-	(0.14)
Non-GAAP results	\$5,055.5	\$2,699.1	\$1,970.8	\$9.59

As reported
gross margin **44.8%**

Non-GAAP
gross margin (1) **45.3%**

As reported
operating
profit margin **22.9%**

Non-GAAP
operating profit
margin (2) **24.2%**

Year-ending: December 31, 2022

Reconciliation of GAAP and Non-GAAP information

In Millions of Dollars Except Per Share Amounts	Gross Profit	Operating Profit	Net Income	Income Per Share-Diluted
GAAP results	\$4,498.8	\$2,260.8	\$1,644.8	\$7.96
Adjustments:				
Derivative mark-to-market losses	78.8	78.2	64.7	0.38
Business realignment activities	-	4.4	3.3	0.02
Acquisition and integration-related activities	4.0	48.5	37.0	0.24
Other miscellaneous losses	-	13.6	10.3	0.07
Tax effect of all adjustments reflected above	-	-	-	(0.15)
Non-GAAP results	\$4,581.6	\$2,405.4	\$1,760.1	\$8.52

As reported
gross margin **43.2%**

Non-GAAP
gross margin (1) **44.0%**

As reported
operating
profit margin **21.7%**

Non-GAAP
operating profit
margin (2) **23.1%**

Year-ending: December 31, 2021

Reconciliation of GAAP and Non-GAAP information

In Millions of Dollars Except Per Share Amounts	Gross Profit	Operating Profit	Net Income	Income Per Share-Diluted
GAAP results	\$4,048.6	\$2,043.7	\$1,477.5	\$7.11
Adjustments:				
Derivative mark-to-market losses	(24.4)	(24.4)	(15.2)	(0.12)
Business realignment activities	5.2	16.6	13.5	0.09
Acquisition and integration-related activities	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	\$1,492.8	\$7.19

As reported gross margin **45.1%**

Non-GAAP gross margin (1) **44.9%**

As reported operating profit margin **22.8%**

Non-GAAP operating profit margin (2) **22.9%**

Year-ending: December 31, 2020

Reconciliation of GAAP and Non-GAAP information

In Millions of Dollars Except Per Share Amounts	Gross Profit	Operating Profit	Net Income	Income Per Share-Diluted
GAAP results	\$3,701.3	\$1,782.7	\$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	\$1,316.2	\$6.29

As reported gross margin **45.4%**

Non-GAAP gross margin (1) **45.5%**

As reported operating profit margin **21.9%**

Non-GAAP operating profit margin (2) **22.5%**

Year-ending: December 31, 2019

Reconciliation of GAAP and Non-GAAP information

In Millions of Dollars Except Per Share Amounts	Gross Profit	Operating Profit	Net Income	Income Per Share-Diluted
GAAP results	\$3,622.5	\$1,596.0	\$1,149.7	\$5.46
Adjustments:				
Derivative mark-to-market gains	(28.7)	(28.7)	(25.2)	(0.14)
Business realignment activities	-	9.2	7.3	0.04
Acquisition-related costs	2.0	10.2	7.7	0.05
Pension settlement charges relating to Company-directed initiatives	-	-	1.8	0.01
Long-lived and intangible asset impairment charges	-	112.5	88.5	0.53
Noncontrolling interest share of business realignment and impairment charges	-	-	(2.8)	(0.01)
Gain on sale of other assets	-	(11.3)	(8.5)	(0.05)
Tax effect of all adjustments reflected above	-	-	-	(0.11)
Non-GAAP results	\$3,595.8	\$1,687.9	\$1,218.4	\$5.78

As reported gross margin **45.4%**

Non-GAAP gross margin (1) **45.0%**

As reported operating profit margin **20.0%**

Non-GAAP operating profit margin (2) **21.1%**

Year-ending: December 31, 2018

Reconciliation of GAAP and Non-GAAP information

In Millions of Dollars Except Per Share Amounts	Gross Profit	Operating Profit	Net Income	Income Per Share-Diluted
GAAP results	\$3,575.3	\$1,623.7	\$1,177.6	\$5.58
Adjustments:				
Derivative mark-to-market gains	(168.3)	(168.3)	(152.5)	(0.80)
Business realignment activities	11.3	51.8	38.9	0.25
Acquisition-related costs	6.2	44.8	35.7	0.21
Pension settlement charges relating to Company-directed initiatives	-	-	4.1	0.03
Long-lived and intangible asset impairment charges	-	57.7	41.9	0.27
Impact of U.S. tax reform	-	-	(7.8)	-
Noncontrolling interest share of business realignment and impairment charges	-	-	(6.3)	(0.03)
Gain on sale of licensing rights	-	(2.7)	(1.5)	(0.01)
Tax effect of all adjustments reflected above	-	-	-	(0.14)
Non-GAAP results	\$3,424.6	\$1,607.1	\$1,130.1	\$5.36

As reported gross margin **45.9%**

Non-GAAP gross margin (1) **44.0%**

As reported operating profit margin **20.8%**

Non-GAAP operating profit margin (2) **20.6%**



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

Year-ending: December 31, 2017

Reconciliation of GAAP and Non-GAAP information

In Millions of Dollars Except Per Share Amounts	Gross Profit	Operating Profit	Net Income	Income Per Share-Diluted
GAAP results	\$3,455.4	\$1,313.4	\$783.0	\$3.66
Adjustments:				
Derivative mark-to-market gains	(35.3)	(35.3)	(30.5)	(0.16)
Business realignment activities	5.1	69.4	51.0	0.33
Acquisition-related costs	-	0.3	0.2	-
Pension settlement charges relating to Company-directed initiatives	-	-	6.8	0.05
Long-lived and intangible asset impairment charges	-	208.7	185.4	0.98
Impact of U.S. tax reform	-	-	32.5	-
Noncontrolling interest share of business realignment and impairment charges	-	-	(26.8)	(0.13)
Tax effect of all adjustments reflected above	-	-	-	(0.04)
Non-GAAP results	\$3,425.2	\$1,556.5	\$1,001.5	\$4.69

As reported gross margin **46.0%**

Non-GAAP gross margin (1) **45.6%**

As reported operating profit margin **17.5%**

Non-GAAP operating profit margin (2) **20.7%**