

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

May 16, 2023

Date of Report (Date of earliest event reported)



THE HERSHEY COMPANY

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

1-183

(Commission File Number)

23-0691590

(IRS Employer Identification No.)

19 East Chocolate Avenue

Hershey, PA 17033

(Address of principal executive offices)

(Zip Code)

(717) 534-4200

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, one dollar par value	HSY	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 7.01. Regulation FD Disclosure.**

On May 16, 2023, The Hershey Company (the “Company”) will be hosting its 2023 Annual Meeting of Stockholders via live webcast, during which it will provide a general business review update. The presentation materials to be utilized during the meeting, a copy of which is attached hereto as Exhibit 99.1, are hereby incorporated into this Item 7.01 by reference.

The information in Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities under that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

**Item 9.01. Financial Statements and Exhibits.**

(d) *Exhibits.*

<u>Exhibit Number</u>	<u>Description</u>
<a href="#">99.1</a>	<a href="#">2023 Annual Meeting of Stockholders Presentation Materials</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE HERSHEY COMPANY

Date: May 16, 2023

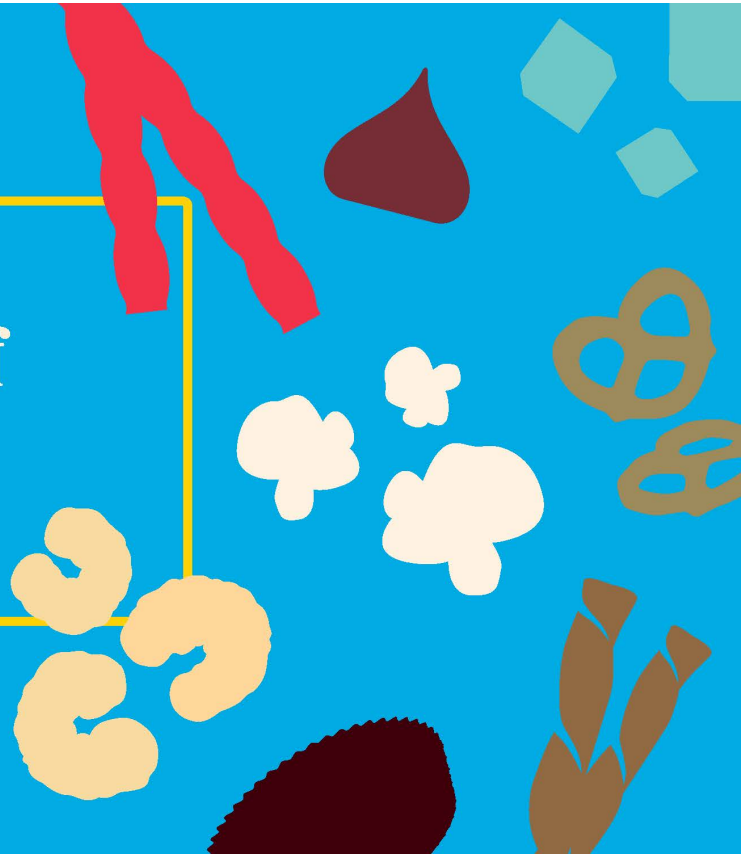
By: */s/ Steven E. Voskuil*

\_\_\_\_\_  
Steven E. Voskuil  
Senior Vice President, Chief Financial Officer



**Annual Meeting of  
Stockholders**

**Tuesday, May 16, 2023**



# **Michele Buck**

**Chairman of the Board  
President & Chief Executive Officer**





# Today's Agenda

**Welcome**

---

**Items of Business**

---

**Business Review**

---

**Question and Answer**

---

**Voting Results**

# Today's Agenda

Welcome

---

Items of Business

---

Business Review

---

Question and Answer

---

Voting Results

# **Items of Business**

**ELECTION OF DIRECTORS**

**RATIFICATION OF APPOINTMENT OF  
INDEPENDENT AUDITORS**

**ADVISE ON NAMED EXECUTIVE  
OFFICER COMPENSATION**

**FREQUENCY OF FUTURE  
ADVISORY VOTES**

**STOCKHOLDER PROPOSAL**

**VOTING**

## **Election of Directors**

**Pamela Arway**

**Victor Crawford**

**Robert Dutkowsky**

**Mary Kay Haben**

**James Katzman**

**Diane Koken**

**Maria Kraus**

**Robert Malcolm**

**Anthony Palmer**

**Juan Perez**

**Michele Buck**

**The Board recommends a vote **FOR** each of  
the director nominees**

## **Ratification of Appointment of Independent Auditors**

**The Board recommends a vote **FOR** ratification of the  
appointment of ERNST & YOUNG LLP  
as independent auditors for the fiscal year ending  
December 31, 2023**

## **Advise on Named Executive Officer Compensation**

**The Board recommends a vote **FOR** approval, on a non-binding advisory basis, of the Company's named executive officer compensation**

## **Frequency of Future Advisory Votes**

**The Board recommends a vote of **1 YEAR** on the frequency of future advisory votes on named executive officer compensation**

## **Stockholder Proposal**

**The Board recommends a vote **AGAINST**  
the stockholder proposal**





**Elvis Oppong-Mensah  
Civic Response Ghana**

# Items of Business

**ELECTION OF DIRECTORS**

**RATIFICATION OF APPOINTMENT OF  
INDEPENDENT AUDITORS**

**ADVISE ON NAMED EXECUTIVE  
OFFICER COMPENSATION**

**FREQUENCY OF FUTURE  
ADVISORY VOTES**

**STOCKHOLDER PROPOSAL**

**VOTING**

# Today's Agenda

Welcome

---

Items of Business

---

**Business Review**

---

Question and Answer

---

Voting Results

## Forward Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Many of these forward-looking statements can be identified by the use of words such as “anticipate,” “assume,” “believe,” “continue,” “estimate,” “expect,” “forecast,” “future,” “intend,” “plan,” “potential,” “predict,” “project,” “strategy,” “target” and similar terms, and future or conditional tense verbs like “could,” “may,” “might,” “should,” “will” and “would,” among others. These statements are made based upon current expectations that are subject to 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; 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 and regulations, including taxes; political, economic, and/or financial market conditions, including with respect to inflation, rising interest rates, slower growth or recession, 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 or implementation of our new enterprise resource planning system; and such other matters as discussed in our Annual Report on Form 10-K for the year ended December 31, 2022. All information in this presentation is as of May 16, 2023. 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.

**HERSHEY**

**WHO  
WE  
ARE**

**Great Brands**

**Advantaged Financial Structure**

**Best People**

**Differentiated Capabilities  
& Executional Excellence**



WE SET OUT TO DO  
**more...**

WE SET OUT TO DO  
**more...**

...FOR OUR **portfolio**

...FOR OUR **capabilities**

...FOR OUR **people**

...FOR OUR **customers**

...FOR OUR **environment**

...FOR OUR **shareholders**



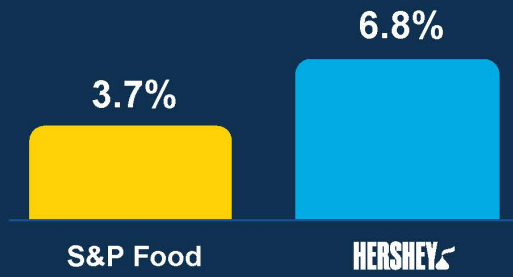
ONE OF THE  
**Strongest**  
**Snacking Portfolios**  
IN THE INDUSTRY



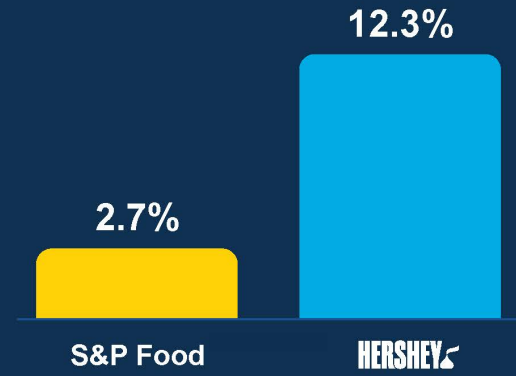


## Delivering Differentiated Results

### Net Sales 5-Year CAGR<sup>1</sup>



### Adjusted EPS 5-Year CAGR<sup>1</sup>



<sup>1</sup>Net Sales and adjusted EPS are presented on a calendar-year basis.  
Source: Factset, Company Financials, see appendix for a reconciliation of GAAP to Adjusted EPS

# Generated Peer-leading Market Performance

## Market Performance

Stock Price Index to 12/31/2017



Source: Factset

# We Aspire to...

- ✓ Be a portfolio of growing, **consumer-loved brands**
- ✓ **Lead the category** in performance, insights and execution
- ✓ **Invest differentially** in brands and capabilities
- ✓ Be the **#1 CPG company** to work for
- ✓ Deliver consistent, advantaged **financial performance**

TO ACHIEVE THIS VISION,  
**Our Fundamental Strategies**  
REMAIN THE SAME



UNDISPUTED LEADER  
**U.S. CMG**



SCALE  
**Salty Snacks**



PROFITABLE GROWTH IN  
**International**



INCREMENTALITY VIA  
**M&A**

**A Leading Snacking Powerhouse**

# Capitalizing on Consumer Trends



## Home-Centricity

+42B More At-Home Eating Occasions vs 2019



## Physical and Emotional Wellness

Chocolate is Top Snack for Stress Relief



## Digital Connectivity

More Ways to Reach Consumers

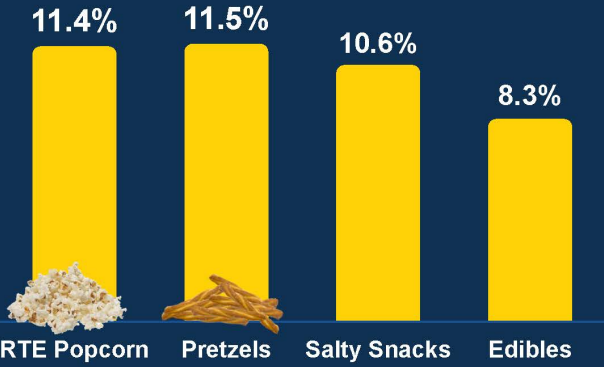


Source: 1: The NPD Group: Eating Patterns in America, Trends in Meals & Snacks & Snack Track, Trend in Snack Categories by Mood | 2: Company Information, Horizon Media Report (2022)

# Opportunity to Grow Salty Snacks

## Categories are Primed for Growth

Retail Sales 3-Year CAGR<sup>1</sup>



RTE Popcorn   Pretzels   Salty Snacks   Edibles

Retail Sales<sup>2</sup>

\$2B

\$2B

\$35B

\$685B

## Brands are Scaled, Fast-growing

SKINNYPOP  
POPCORN

\$495M<sup>2</sup>

#1 in Dollar Growth Over 3-Years



\$335M<sup>2</sup>

Fastest-Growing Pretzel Brand Over 3-Years

Source: 1: IRI, Calendar Year w/e 01/05/20 to 01/01/23 | 2: IRI, Retail Sales for Calendar Year w/e 01/01/23

# Profitable International Growth

## Hershey's as a Global Powerhouse



- ✓ Global campaigns with local relevance
- ✓ New occasions with innovation
- ✓ Brand halo to win in adjacencies

## Reese's Carving its Own Path



- ✓ Successful playbook in UK, leveraging U.S. assets
- ✓ Selective regional expansion: Germany, Australia, Middle East

## Differentiating with Local Jewels



- ✓ Pelon on track to be #1 in Spicy in Mexico



# M&A TO ACCELERATE GROWTH

- ✓ On-trend Categories
- ✓ Scale Brands
- ✓ Incremental Occasions
- ✓ Strong Gross Margins





## Focused on Key Strategies for the Future



**Enhance data  
and technology  
solutions**



**Add capacity &  
increase  
resilience**



**Accelerate talent  
and digitize  
processes**



**Integrate Salty  
Snacks and expand  
capabilities**

# Balanced Growth Drivers

PROVIDE DIFFERENTIATION

Sweet  
  
SALTY

Power Brands  
  
NICHE FAVORITES

U.S.  
  
INTER-NATIONAL

Everyday  
  
SEASON

At Home  
  
ON-THE-GO

**ADVANTAGED**  
**Financial  
Structure**

- ✓ Growing Categories
- ✓ Volume & Price Growth
- ✓ Leading Margin Performance
- ✓ Strong Cash Flow Enabling Portfolio Expansion
- ✓ Disciplined Capital Allocation with Differentiated Reinvestment

**Peer-leading Return  
for Shareholders**

# Capital Allocation Strategy to Support Growth and Create Value for Shareholders

**Business Reinvestment Including M&A**

**1**



**2 Dividend**

Maintain a dividend payout >50%

**Debt Reduction**

**4**

- Net leverage ratio target of 1.5-2.0
- Maintain investment grade Single A Rating

**3 Share Buybacks**

- Consistent amount annually
- Opportunistic if excess cash available

# ESG Priorities Aligned to Material Issues



## Cocoa

Creating thriving communities and environments behind our most essential ingredient



## Responsible Sourcing & Human Rights

Using robust due diligence and leading standards to protect people across our value chain



## Environment

Enhancing our operations to meet high-impact climate, waste and packaging goals



## Our People

Creating more ways for more people to be themselves and thrive



## Youth



## Community

DELIVERING  
**more...**

**KEEP THE  
MOMENTUM  
GOING**

**INVEST  
DIFFERENTIALLY  
& PRAGMATICALLY**

**EXECUTE AND  
TRANSFORM**

**Deliver Peer-leading Shareholder Return**

# Today's Agenda

Welcome

---

Items of Business

---

Business Review

---

**Question and Answer**

---

Voting Results

# Today's Agenda

Welcome

---

Items of Business

---

Business Review

---

Question and Answer

---

**Voting Results**



# **GAAP Reconciliations**

# Reconciliation of GAAP and Non-GAAP Information

Year-ending: December 31, 2022

In Millions of Dollars Except Per Share Amounts	Gross Profit	Operating Profit	Interest-Expense, Net	Net Income	Income Per Share-Diluted
GAAP results	\$ 4,498.8	\$ 2,260.8	\$ 137.6	\$ 1,644.8	\$ 7.96
<b>Adjustments:</b>					
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	\$ 137.6	\$ 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%	-	-	-	-

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.

# Reconciliation of GAAP and Non-GAAP Information

Year-ending: December 31, 2021

In Millions of Dollars Except Per Share Amounts	Gross Profit	Operating Profit	Interest-Expense, Net	Net Income	Income Per Share-Diluted
GAAP results	\$ 4,048.6	\$ 2,043.7	\$ 127.4	\$ 1,477.5	\$ 7.11
<b>Adjustments:</b>					
Derivative mark-to-market gains	(24.4)	(24.4)	-	(15.2)	(0.12)
Business realignment activities	5.2	16.6	-	13.5	0.09
Acquisition 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	\$ 127.4	\$ 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%	-	-	-	-

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.

# Reconciliation of GAAP and Non-GAAP Information

Year-ending: December 31, 2020

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

# Reconciliation of GAAP and Non-GAAP Information

Year-ending: December 31, 2019

In Millions of Dollars Except Per Share Amounts	Gross Profit	Operating Profit	Interest-Expense, Net	Net Income	Income Per Share-Diluted
GAAP results	\$ 3,622.5	\$ 1,596.0	\$ 144.1	\$ 1,149.7	\$ 5.46
<b>Adjustments:</b>					
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	\$ 144.1	\$ 1,218.4	\$ 5.78

# Reconciliation of GAAP and Non-GAAP Information

Year-ending: December 31, 2018

In Millions of Dollars Except Per Share Amounts	Gross Profit	Operating Profit	Interest-Expense, Net	Net Income	Income Per Share-Diluted
GAAP results	\$ 3,575.3	\$ 1,623.7	\$ 138.8	\$ 1,177.6	\$ 5.58
<b>Adjustments:</b>					
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	\$ 138.8	\$ 1,130.1	\$ 5.36

# Reconciliation of GAAP and Non-GAAP Information

Year-ending: December 31, 2017

In Millions of Dollars Except Per Share Amounts	Gross Profit	Operating Profit	Interest-Expense, Net	Net Income	Income Per Share-Diluted
GAAP results	\$ 3,455.4	\$ 1,313.4	\$ 98.3	\$ 783.0	\$ 3.66
<b>Adjustments:</b>					
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	\$ 98.3	\$ 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%				

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.