Hasbro, Inc. - Climate Change 2021



C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Hasbro (NASDAQ: HAS) is a global play and entertainment company committed to Creating the World's Best Play and Entertainment Experiences From toys, games and consumer products to television, movies, digital gaming, live action, music, and virtual reality experiences, Hasbro connects to global audiences by bringing to life great innovations, stories and brands across established and inventive platforms. Hasbro's iconic brands include NERF, MAGIC: THE GATHERING, MY LITTLE PONY, TRANSFORMERS, PLAY-DOH, MONOPOLY, BABY ALIVE, POWER RANGERS, PEPPA PIG and PJ MASKS, as well as premier partner brands. Through its global entertainment studio, eOne, Hasbro is building its brands globally through great storytelling and content on all screens. Hasbro is committed to making the world a better place for all children and all families through corporate social responsibility and philanthropy. Hasbro ranked among the 2020 100 Best Corporate Citizens by 3BL Media and has been named one of the World's Most Ethical Companies® by Ethisphere Institute for the past nine years.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date		Select the number of past reporting years you will be providing emissions data for
Reporting	January 1	December 31	No	<not applicable=""></not>
year	2020	2020		

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

Australia

Austria

Brazil Canada

China

China, Hong Kong Special Administrative Region

Colombia

Denmark

France

Germany

Greece

Hungary

India Ireland

Italy

Japan

Mexico

Netherlands

New Zealand

Peru Poland

Republic of Korea Romania

Russian Federation

South Africa

Spain

Switzerland

Taiwan, Greater China

United Arab Emirates

United Kingdom of Great Britain and Northern Ireland

United States of America

Viet Nam

C_{0.4}

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization? Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	At the board level, Hasbro's Nominating, Governance and Social Responsibility Committee has the highest responsibility and oversight at the board level. Our Independent Lead Director chairs the committee and all members have CSR experience. The Committee oversees Hasbro's CSR agenda, including sustainability and climate-related matters, at the board level. In concert with the Board, the Committee reviews and assesses Company policies and practices regarding significant CSR issues, including sustainability and climate change. Also, Hasbro's board, which includes the CEO/Board Chair, are regularly updated and consider climate strategy and sustainability matters, including climate-related risks and opportunities, in their decision-making. For example, the NomGov CSR Committee has ratified our climate-related policies, including our Climate Change Commitment, our EHS Policy, our Paper Policy, as well as initiatives like eliminating plastic from our packaging and our toy recycling program.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate- related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board- level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	<not Applicabl e></not 	As noted in the NomGov CSR Committee charter, in concert with the Board, the Committee reviews and and assesses Company policies and practices with respect to significant issues of corporate social responsibility, including environmental sustainability and climate change. This includes reviewing and approving sustainability-related goals and company progress toward those goals; climate-related risks and opportunities and climate-related communications in Hasbro's Annual Report, Proxy statements, and CSR Report. The committee also brings these issues to the full board including the Board Chair/CEO.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

	Reporting line	, ,	ľ	Frequency of reporting to the board on climate- related issues
Other C-Suite Officer, please specify (Chief Purpose Officer)		Both assessing and managing climate-related risks and opportunities	<not applicable=""></not>	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

In January 2020, Hasbro created the role of Chief Purpose Officer, reporting directly to the CEO and joining the Executive Management Team, to further activate and accelerate the company's ongoing efforts to make the world a better place for all children and all families. This role leads the newly formed Global Purpose Organization and is responsible for the company's ESG and CSR strategy including the development of our climate strategy and embedding environmental sustainability initiatives throughout the company and supply chain. The new organization integrates key strategic functions across the global organization that are critical to advancing Hasbro's positive impact around the world. Now reporting to the Chief Purpose Officer are Global Government Relations, Global Communications, Corporate Social Responsibility, Sustainability, Ethical Sourcing and Philanthropy and Social Impact. Both the CEO and Chief Purpose Officer provide regular updates to the full board and to the NomGov CSR Committee throughout the year on matters related to climate change and sustainability. The Chief Purpose Officer, specifically, reports to the board at the board's quarterly full and committee meeting and climate-related matters are included at least twice a year if not quarterly.

To further integrate climate strategy and sustainability initiatives into the company, our Chief Purpose Officer joins leaders from departments across the company on our Sustainability Center of Excellence (SCOE), which meets at least monthly. The SCOE is focused on reducing the environmental impacts of our products and packaging, minimizing the environmental footprint of our operations and supply chain, and encouraging our employees to embrace and promote environmental responsibility. Through Hasbro's Sustainability Center of Excellence, whose members include quality assurance, facilities, design & development, operations, CSR & sustainability, and sourcing, we drive our strategic environmental blueprint across our global organization with a focus on uniting our facilities and teams around the world to advance our environmental commitments.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive		Activity inventivized	Comment
Corporate executive team		Behavior change related indicator	Hasbro is instituting an ESG performance element to Executive Named Officers are compensation based company performance against ESG areas including environmental and climate-related matters.
Other C-Suite Officer	,	Emissions reduction project	For employees directly involved in sustainability and CSR, including our Chief Purpose Officer, Snr dir. of CSR & Sustainability., CSR manager, EHS director, and EHS manager, sustainability progress is part of performance evaluations and annual bonuses. The measurements include progress against our stated goals including emissions reduction, energy reduction, water usage reduction, and waste-to-landfill reduction goals. Our Facilities mngrs are also incentivized on environmental performance and progress in our owned and operated facilities.
Business unit manager	reward	Energy reduction project Efficiency target	For employees directly involved in sustainability and CSR, including our Chief Purpose Officer, Snr dir. of CSR & Sustainability., CSR manager, EHS director, and EHS manager, sustainability progress is part of performance evaluations and annual bonuses. The measurements include progress against our stated goals including emissions reduction, energy reduction, water usage reduction, and waste-to-landfill reduction goals. Our Facilities mngrs are also incentivized on environmental performance and progress in our owned and operated facilities.
Environmental, health, and safety manager	Monetary reward	Efficiency target	For employees directly involved in sustainability and CSR, including our Chief Purpose Officer, Snr dir. of CSR & Sustainability., CSR manager, EHS director, and EHS manager, sustainability progress is part of performance evaluations and annual bonuses. The measurements include progress against our stated goals including emissions reduction, energy reduction, water usage reduction, and waste-to-landfill reduction goals. Our Facilities mngrs are also incentivized on environmental performance and progress in our owned and operated facilities.
Environment/Sustainability manager	Monetary reward	Efficiency target	For employees directly involved in sustainability and CSR, including our Chief Purpose Officer, Snr dir. of CSR & Sustainability., CSR manager, EHS director, and EHS manager, sustainability progress is part of performance evaluations and annual bonuses. The measurements include progress against our stated goals including emissions reduction, energy reduction, water usage reduction, and waste-to-landfill reduction goals. Our Facilities mngrs are also incentivized on environmental performance and progress in our owned and operated facilities.
Facilities manager	Monetary reward	Efficiency target	For employees directly involved in sustainability and CSR, including our Chief Purpose Officer, Snr dir. of CSR & Sustainability., CSR manager, EHS director, and EHS manager, sustainability progress is part of performance evaluations and annual bonuses. The measurements include progress against our stated goals including emissions reduction, energy reduction, water usage reduction, and waste-to-landfill reduction goals. Our Facilities mngrs are also incentivized on environmental performance and progress in our owned and operated facilities.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Ye

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	
Medium-term	3	6	
Long-term	6		

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Materiality/priority at Hasbro is based on a combined analysis of Risk Impact and the Risk Trend. We evaluate the overall impact of each risk which may be financial, operational or reputational and evaluate the magnitude of the risk and the effectiveness of our monitoring and mitigating activities in assessing the potential severity of a risk to Hasbro. We also consider how the risk is trending to determine if any additional mitigating actions are required. We use a color-coding system on our reports and dashboards to indicate if our risk is High, Moderate or Low and use arrows for our trend indication to quickly draw attention to risks which are trending up for Hasbro.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Upstream

Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

Hasbro has developed an enterprise risk management (ERM) process that guides the identification, assessment and actions taken related to potential developments that can have impact on our business. The process incorporates an interdisciplinary group with a diverse set of skills to assess the potential risks that issues may pose for the company. Proposed and final regulatory actions and other developments related to climate change are considered as part of this risk management process. Oversight of Hasbro's robust, company-wide risk assessment and risk management process is provided by the full board of directors and board committees. For significant risks related to social and environmental issues, including climate change, environmental sustainability, human rights, and ethical sourcing, the Nominating, Governance and Social Responsibility Committee has oversight for the risks and efforts to manage risks to the company in those areas. Upstream, as part of our efforts to identify and manage climate risks in our supply chain, Hasbro is the first toy company to engage the Higg Index from the Sustainable Apparel Coalition with our manufacturing suppliers. This is helping us better measure our environmental impacts in the supply chain and pinpoint areas for improvement. There are also environmental impact assessments included in our annual audits of suppliers as part of our annual audit process. Downstream, Hasbro has implemented several programs to help reduce our environmental impact. We use third-party programs to improve the environmental footprint of our logistics operations. For example, Hasbro has been a member of the U.S. Environmental Protection Agency (EPA) SmartWay® Transport Partnership since 2012. This program helps business move products as efficiently as possible while utilizing transportation SmartWay members. While not a requirement, we have a preference to work with SmartWay carriers. In 2016, we met our goal of shipping over 90 percent of our domestic U.S. freight using SmartWay carriers. In Southern California, we utilize the PierPass program, which relieves congestion, shortens wait times at security checkpoints and improves air quality at the ports of Los Angeles and Long Beach by encouraging off-peak activity. Reducing container movement during peak hours means fewer trucks on the road during heavy traffic periods, reducing fuel consumption and emissions. In 2016, 50 percent of our containers at these ports were moved during off-peak hours. We remain committed to finding ways to optimize our logistics network to reduce our environmental impacts while meeting our business needs. In 2017, we carried out a project to better understand the carbon footprint of our U.S. export logistics with the goal of understanding the carbon emissions of various modes of transportation to help inform future logistics strategies. And, in partnership with our ocean carriers, Hasbro has also engaged in the Clean Cargo initiative from BSR. Through this program, we work with our shippers to collaborate with other companies to create cleaner, more climate friendly ways of shipping goods to market.

C2.2a

		Please explain
	& inclusion	
Current regulation	Relevant, always included	Hasbro is subject to climate-related regulations at national and local levels worldwide. Changes in the laws governing Hasbro can have a direct impact on our business. Through its trade associations and on its own, Hasbro monitors and/or participates in public policy debate and regulatory developments related to key issues, including environmental issues impacting our operations and manufacturing. Hasbro's Global Government Affairs team, led by our Chief Purpose Officer, who is also our SVP of Government, Regulatory Affairs and CSR, directs and oversees public policy engagement, working closely with regional and country-level staff on the ground as well. This includes engaging on significant environmental policy. For example, chemical and materials management is an important aspect of our business and the regulatory environment can vary greatly by jurisdication. In the United States, it varies state by state which can create confusion in the market and make it difficult to adhere to each standard. Our Global Government Affairs team worked collaboratively with U.S. Congress and NGO partners to encourage development of one uniform national standard for chemical safety. This led in 2016 to the passage of the Chemical Safety Improvement Act (CSIA), which was the first substantial revision to chemical laws in the U.S. since 1976.
Emerging regulation	Relevant, always included	Hasbro is subject to climate-related regulations at national and local levels worldwide. Changes in the laws governing Hasbro can have a direct impact on our business. For example, we anticipate that governments globally will implement climate regulations to reduce their country's impact on the environment and contribution to global climate change. Additionally, regulators, like the US SEC in response to increased investor demands for such disclosures, are considering requiring companies to disclose more on their environmental impacts as well as the risks and opportunities they face in their business from climate change, which we expect will increase pressure on companies to drastically reduce their emissions. Hasbro has taken proactive measures to address this risk through its environmental policies and emissions reductions goal. Also, through its trade associations and on its own, Hasbro monitors and/or participates in public policy debate and regulatory developments related to key issues, including environmental issues impacting our operations and manufacturing. Hasbro's Global Government Affairs team, led by our Chief Purpose Officer, who also serves as SVP of Government, Regulatory Affairs and CSR, directs and oversees public policy engagement, working closely with regional and country-level staff on the ground as well.
Technology	Relevant, not included	Hasbro is currently evaluating technology tools to help with our transition to a low carbon environment. We plan to include this is a risk element at a future date.
Legal	Relevant, always included	Our Chief Purpose Officer, an attorney, leads our Government, Regulatory Affairs and CSR organization. Members of the team also include lawyers with expertise in their specific regions (Europe, Latin America, Asia-Pacific) and other professionals. As such, all of our risk management activity takes place in close coordination with Hasbro legal counsel. Furthermore, we engage with outside counsel on marketing claims related to sustainability and other issues to assure that our programs meet or exceed legal requirements. For example, prior to our release of our Monopoly Go Green and Mr. Potato Head Goes Green products, which were made with eco-preferred and sustainably sourced materials, all sustainability claims including in marketing materials and e-commerce copy, as well as on- and in-box claims, were sent to outside counsel for review and approvals before launch.
Market	Relevant, sometimes included	On the demand side, providing products that consumers cherish is a two-way process. We respond to concerns about our products and suggestions on how we can improve them. Through our global online communities, we learn about issues that matter to families and how we can help. Through this process, we learn what issues matter most to parents and their families including issues regarding product sustainability and our environmental impact and changing consumer habits. This influences our product direction and strategic decisions. For example, in 2019 Hasbro set the goal to eliminate all plastic in packaging by the end of 2022. We are also developing products that use more eco-preferred materials such as bio- and recycled plastics. Lastly, Hasbro was the first toy company to launch a toy recycling program which is now available in six of our top markets and growing. For our supply chain, our logistics and supply chain operations also consider climate-related risks in their strategy and planning, including mapping at-risk facilities (such as those in frequent hurricane paths) and creating back-up plans should a facility need to close due to climate-related activity.
Reputation	Relevant, always included	We also recognize that our stakeholders, including consumers, review our progress and performance in these areas influences their perception which in turn can influence our corporate and/or product brands reputation. For example, we have set a goal to eliminate plastic from our packaging in part to help us stay ahead of changing stakeholder attitudes about single-use plastics and their environmental impact.
Acute physical	Relevant, always included	Acute physical risks from climate change are an integral part of our annual and ongoing frequent planning processes. For example, the largest concentration of our outsourced manufacturing is located in the Pearl River Delta region of Southeast China in the Guangdong Province. As climate change has increased, so has the frequency and severity of weather events in the region which, in some severe cases, could impact our supply chain. Impacts could include flooding or port closure due to increasingly powerful and frequent typhoons, or, as seen in 2020, electricity shortages due to abnormally high temperatures. Mitigating this risk requires diversifying the supplier base to more regions and diversifying the ports we use. Our long-term goal is to continue to diversity our manufacturing base so that we balance our volumes around the key supply hub, while bringing our manufacturing as close as possible to our current and future sales markets. As of December 27, 2020, 45% of third-party product manufacturing was sourced outside of China and 20% of the products sold in the USA are made in the USA. Alongside this effort, we are also diversifying our distribution channels and processes to ensure supply chain resilience, including better ability to respond to climate-related issues impacting any one region. For example, we now use multiple ports at both the origin and destination should any one of them be impacted due to severe weather or any unforeseen disaster.
Chronic physical	Relevant, always included	Chronic risks from climate change are also considered in our strategy and planning. For example, in 2016, we met our goal of shipping over 90 percent of our domestic U.S. freight using SmartWay carriers. In Southern California, we utilize the PierPass program, which relieves congestion, shortens wait times at security checkpoints and improves air quality at the ports of Los Angeles and Long Beach by encouraging off-peak activity. In 2017, we carried out a project to better understand the carbon footprint of our U.S. export logistics with the goal of understanding the carbon emissions of various modes of transportation to help inform future logistics strategies. We now use that data in our planning. And, in partnership with our ocean carriers, Hasbro has also engaged in the Clean Cargo initiative from BSR. Through this program, we work with our shippers to collaborate with other companies to create cleaner, more climate friendly ways of shipping goods to market. Moreover, Hasbro has been diversifying our distribution channels and processes to ensure supply chain resilience, including better ability to respond to climate-related issues impacting any one region. For example, we now use multiple ports at both the origin and destination should any one of them be impacted due to severe weather or any unforeseen disaster.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business? Yes

1 65

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Acute physical

Primary potential financial impact

Decreased revenues due to reduced production capacity

 ${\bf Climate\ risk\ type\ mapped\ to\ traditional\ financial\ services\ industry\ risk\ classification}$

<Not Applicable>

Company-specific description

Most of our third-party manufacturing is located in the Asia-Pacific region and severe weather events in this area due to climate change could significantly impact our operations and ability to produce product and/or get it to market. For example, the largest concentration of our outsourced manufacturing is located in the Pearl River Delta region of Southeast China in the Guangdong Province. As climate change has increased, so has the frequency and severity of weather events in the region which, in some severe cases, could impact our supply chain. Impacts could include flooding or port closure due to increasingly powerful and frequent typhoons, or, as seen in 2020, electricity shortages due to abnormally high temperatures.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Hiah

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Approximately 55% of our global suppliers were based in China in 2020, with nearly all of them in Guangdong Province. While we consider the financial impact confidential, in the extremely unlikely event that a climate-related event shuts down all production in this region, the financial impact would be the lost revenue from production in this region for the period of closure.

Cost of response to risk

Description of response and explanation of cost calculation

Mitigating this risk requires diversifying the supplier base to more regions and diversifying the ports we use. Diversifying our supplier base requires sourcing and capacity building at new factories with vendors that may not be experienced with our industry or products, among other costs (see below for details). Case Study: Hasbro has been actively working to diversify our supplier base for the past several years, reducing reliance on sources of supply from China. This work has meant investing in building manufacturing capacity in Vietnam, India and Mexico as well as evaluating opportunities for near- or onshore production in Europe, the US and Brazil. Our long-term goal is to continue to diversity our manufacturing base so that we balance our volumes around the key supply hub, while bringing our manufacturing as close as possible to our current and future sales markets. As per December 27, 2020, 45% of third-party product manufacturing was sourced outside of China and 20% of the products sold in the USA are made in the USA. We consider the specific cost of these activities confidential, but costs include new tooling, production ramp up, training, revamping supply routes to build up capacity in new regions, government fees, and more. As Hasbro is already shifting its production to new sites, the funding for this mitigation effort is already considered in our costs and we expect this risk to continue to diminish as we increasingly diversify the locations of our supplier base.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Emerging regulation

Risk type & Primary climate-related risk driver

Carbon pricing mechanisms

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

We anticipate that governments globally will implement climate regulations to reduce their country's impact on the environment and contribution to global climate change. For example, a number of governments in regions, in which Hasbro has offices and contracts for manufacturing of our products, have introduced ambitious plans to reduce greenhouse gas emissions by 2030: The EU is debating a plan to reduce greenhouse gas emissions by 55% compared to 1990 levels; the US has promised to reduce emissions 40 to 43 percent over the same time period; the UK has pledged a 68 percent reduction; and China, which has made less ambitious promises, says it will reduce carbon intensity by more than 65% in 2030 compared to 2005 levels. Additionally, regulators, like the US SEC in response to increased investor demands for such disclosures, are considering requiring companies to disclose more on their environmental impacts as well as the risks and opportunities they face in their business from climate change, which we expect will increase pressure on companies to drastically reduce their emissions.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We expect that governments in our major markets will increasingly look to put a price on carbon as a policy tool to reduce greenhouse gas emissions in their fights against climate change. Hasbro's 2020 CO2 emissions were about 205,000 tCO2e including all Scope 1 and Scope 2 emissions and Scope 3 for tier 1 manufacturing facilities, ocean and air product transport, 3rd party distribution centers, and employee air travel. The financial impact would be the price set for carbon (depending on the boundaries and conditions of the law) multiplied by the amount of Hasbro carbon emissions in scope for the legislation.

Cost of response to risk

Description of response and explanation of cost calculation

We do not have cost estimates at the moment, but to respond to this risk, Hasbro has invested in renewable energy in the markets in which we operate and we are implementing plans to lower the carbon emissions throughout our value chain, including by using lower impact product and packaging materials, and implementing energy efficiency initiatives in our operations. Also, through its trade associations and on its own, Hasbro monitors and/or participates in public policy debate and regulatory developments related to key issues, including environmental issues impacting our operations and manufacturing. Hasbro's Global Government Affairs team, led by our Chief Purpose Officer, who also serves as SVP of Government, Regulatory Affairs and CSR, directs and oversees public policy engagement, working closely with regional and country-level staff on the ground as well. Case study: In 2019, Hasbro set a goal to remove virtually all plastic in new product packaging by the end of 2022. We also have a stated policy of using at least 90% recycled or FSC certified sustainability sourced paper. In addition, our plastic-free packaging goal will make our packaging more easily recyclable across markets which contributes to lower carbon emissions in the marketplace. We expect to avoid an estimated 19.5 million pounds of plastic by the end of 2022 on an annual basis through this elimination of plastic in our packaging.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Market

Changing customer behavior

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

On the demand side, providing products that consumers cherish is a two-way process. We respond to concerns about our products and suggestions on how we can improve them. Through our Consumer Care organization, we monitor and track customer inquiries related to climate, the environment, and a range of CSR-related issues. And through our global communities and Global Insights organization we monitor and analyze trends in the market, including those related to our products and their impact on the environment, to help us stay ahead of changing consumer habits. Through these processes, we learn what issues matter most to parents and their families including issues regarding product sustainability and our environmental impact. We know that consumer preferences are changing and the use of plastics, primarily in packaging, is a rising concern. This could lead to consumers increasingly making decisions based on factors like company reputation and commitment to the environment, or perceived environmental friendliness of products and their packaging, and the materials that go into them. Hasbro needs to be aware and stay ahead of such trends are risk losing significant market share in the future.

Time horizon

Long-term

Likelihood

Very unlikely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Nearly 70% of consumers in the U.S. and Canada said it is important that a brand is sustainable or eco-friendly, according to a 2019 study by IBM and the National Retail Federation. Globally, more than a third (40%) of the respondents said they were purpose-driven consumers, who select brands based on how well they align with their personal beliefs. Furthermore, a third of respondents said they will stop buying a product if they lose trust in the brand. Another third had already ditched their favorite brands in 2019. We consider the results of such studies and based on evolving consumer expectations, we forecast that should Hasbro not pursue eco-friendly and climate-friendly policies and product development, there could be a significant loss of revenue from our consumer products. The financial impact on Hasbro would be the lost revenue, should we not institute measures to address this risk.

Cost of response to risk

Description of response and explanation of cost calculation

While we have not seen significant evidence that consumers have changed their sentiment regarding our products and policies, Hasbro has been working for over a decade on creating more eco-friendly products and packaging. For example, in 2019 we began eliminating plastic from packaging with a goal of all new product packaging being

plastic free by the end of 2022. We also continue to implement new eco-preferred materials in our products. In 2020, we released Mr. Potato Head Goes Green and Monopoly Goes Green, in which we used more sustainable materials throughout including plant-based plastics made from renewable sources, 100% FSC certified wood for game pieces, and 100% recycled paper-based materials for game boards, cards, instructions, and packaging including any in-box packaging. These new items marked the first step in Hasbro's commitment to making more sustainable products using renewable and recycled materials. The learnings from these efforts have informed our strategy for developing future toys and games using recycled and renewable materials across our portfolio of iconic brands like MONOPOLY, PLAYSKOOL, NERF and PLAY-DOH. We are currently setting new sustainable product goals and will be making a public announcement soon on our plans to move to renewable, less carbon-intensive materials in our products.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business? Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Upstream

Opportunity type

Resilience

Primary climate-related opportunity driver

Resource substitutes/diversification

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Tool is providing wrong drop downs for Opportunity Type v. Primary climate-related opportunity driver

Company-specific description

Hasbro has been diversifying our distribution channels and processes to ensure supply chain resilience, including better ability to respond to climate-related issues impacting any one region. For example, we now use multiple ports at both the origin and destination should any one of them be impacted due to severe weather or any unforeseen disaster. Case study: the port of Yantian, China, from which most of our product has traditionally been shipped, was shut down recently for over a week due to a COVID-19 outbreak. (We estimate the impact would be similar should a climate-related event shut down one of the major ports we use). Because of the diversification we have implemented, we were able to redirect our volume through 7 other ports to get our product to their markets around the globe. To support the overall diversification effort, we also activated 4 new ports in the US where we can bring our supply in from alternate ports at origin. We are also diversifying our ocean carrier base tripling the number of carriers in the last year. This provides us with enough coverage should one or more be impacted by any unforeseen climate-related scenario.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact figure

By diversifying our supply chain and outgoing and inbound ports, we are building more resiliency into our supply chain to withstand severe climate-related events in any one area. As noted above, this recently allowed us to shift outbound shipping from our most used port to others to minimize any delay in orders. We were able to meet retailers' expectations and get our product to market to realize revenue that may have otherwise been lost.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

We consider the cost to diversify our ports, suppliers, and shipping carriers confidential, but we estimate these costs include increased linehaul and drayage costs at origin and destination, increased cost of setting up new lane pairings on non-frequented lanes, increased customs and brokerage costs, increased internal and external headcount (for our service providers), and other such costs to support a more diversified, wider and extensive end-to-end distribution network.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

We are seeing increasing demand from retailers (our customers) and consumers, as well as from governments, for easier to recycle packaging. One of the primary hinderances to packaging recycling today is the use of plastic. In 2019, Hasbro announced plans to eliminate all plastic from packaging by the end of 2022. We believe this presents an advantage for Hasbro and will increase demand for Hasbro products over competitors as we shift completely to plastic-free packaging. Additionally, we expect some of our major markets will pass legislation that restricts acceptable packaging or shifts the burden of packaging disposal costs to the producer. For example, the state of Maine recently passed legislation that requires producers be responsible for the cost of packaging disposal. The law requires producers pay into a fund that local governments can use to pay for packaging management costs. The law also includes an eco-modulation system meant to incentivize companies to create packaging that is easier to recycle and reuse. Oregon is expected to follow shortly as are a number of other states. Similar legislation is proposed in Canada and the EU. We believe Hasbro's shift to plastic-free packaging will allow us to not only benefit from reduced regulatory fees in these markets due to nearly entirely paper-based (using at least 90% recycled or FSC certified paper) packaging that is easily recyclable in most of our leading markets but will also make our products preferred by retailers and consumers alike.

Time horizon

Medium-term

Likelihood

Virtually certain

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact figure

By shifting to plastic-free packaging now and setting an ambitious goal of the end of 2022, we think we will be more ready for these shifts in law as well as government & consumer sentiment as these issues impact the market more. We project that this would result in a revenue increase from consumers and retail customers preferring our products. We consider the financial impact from these gains confidential

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

By shifting to plastic-free packaging now and setting an ambitious goal of end of 2022, we think we will be more ready for these shifts in law and government & consumer sentiment as they increasingly impact markets. Our strategy to realize this plan is to redesign our packaging or design new packaging to remove all possible plastic (exceptions are tape, glue and adhesives for which there is no plastic-free alternative at the moment) to meet our plastic-free packaging goal by the end of 2022. We consider the cost of this opportunity confidential, but this effort is already underway, and a number of our product lines are already on shelves without plastic in the packaging. The action also makes our paper-based packaging easier to recycle in many markets, which helps to make it a prefered selection by consumers and retailers.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resilience

Primary climate-related opportunity driver

Participation in renewable energy programs and adoption of energy-efficiency measures

Primary potential financial impact

Reduced direct costs

The Primary climate-related opportunities do not seem to match the opportunity type selected. Resource Efficiency seems to be more appropriate for "Participation in renewable energy programs". This may be a glitch in the platform. We responded with the Primary Climate-related opportunity driver we felt most aligned with this response. If allowed, we'd select Resource Efficiency for the opportunity type.

Company-specific description

We anticipate that governments globally will implement climate regulations to reduce their country's impact on the environment and contribution to global climate change as noted above in Risk 2. Such legislation, as well as increasing investor and consumer concern about company responses to climate change, can have a positive impact on our business by incentivizing our transition to a low-carbon business. For example, our current 2025 environmental goal for our owned and operated facilities (using a 2015 baseline) to reduce energy consumption by 25% is an incentive to drive efficiencies in our business.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact figure

While we consider the financial impact figures confidential, we estimate that the financial impact would be based on the average energy costs from base year to current year and extrapolating those savings based on meeting our 25% energy reduction goal by 2025.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

We consider the costs confidential, but we estimate the costs to realize this opportunity will be based on continuing to implement energy savings programs in our owned and operated facilities. For example, over the past few years we have implemented a number of energy saving initiatives that have saved us an estimated 1,800 metric tons of CO2e annually. These projects include switching to energy efficient lighting; replacing HVAC systems with new, energy efficient systems; and engaging with employees to create a culture of environmental efficiency.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes

C3.1b

(C3.1b) Does your organization intend to publish a low-carbon transition plan in the next two years?

Pow 1 Ves in the next two years No we do not intend to include it as a scheduled AGM resolution item		Intention to publish a low-carbon transition plan	Intention to include the transition plan as a scheduled resolution item at Annual General Meetings (AGMs)	Comment
100, We do not intend to include it as a solution term	Row 1	Yes, in the next two years	No, we do not intend to include it as a scheduled AGM resolution item	

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

No, but we anticipate using qualitative and/or quantitative analysis in the next two years

C3.2b

(C3.2b) Why does your organization not use climate-related scenario analysis to inform its strategy?

We are currently evaluating tools and scenarios to use for our climate change strategy. This has included understanding our current state and evaluating what we need to do to set science-based targets. This has shown that some of our work to date is already helping us in this effort. For example, we currently disclose our energy use and greenhouse gas emissions in our annual CSR Updates and our annual renewable energy statement (attached and included with this survey), and we have set goals to reduce our energy use by 25% and greenhouse gas emissions by 20% by 2025. In addition to initiatives to reduce our energy consumption and improve energy efficiency, we also support projects that increase the generation of renewable energy in the marketplace. Annually, we set and meet a 100% global renewable energy goal; in 2019, we achieved 99.7% for our owned and operated facilities through the purchase of Renewable Energy Certificates (RECs) and we covered the rest as well as other direct and indirect emissions through carbon offsets. Moreover, in 2019, we began a comprehensive measurement of our supply chain footprint, with virtually 100% of our suppliers participating. As part of this effort, we are the first toy company to use the Higg Index, from the Sustainable Apparel Coalition, to understand the climate impacts on and from our supply chain. Our next step will be to set reduction goals for our suppliers and re-evaluate our goals and strategy for further reducing the emissions from our overall operations.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate- related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Hasbro has a long history of sustainability in our products and packaging in response to growing climate and environmental issues such as eliminating polybags for instructions in 2009 and wire ties in 2010. In 2013, we eliminated PVC from our packaging and in 2015 implemented our paper and forestry policy to use at least 90% recycled or sustainably sourced paper for packaging and in-box content. In 2017, we introduced the How2Recycle labeling on products sold in the US and Canada, to help and encourage consumer to recycle the packaging correctly. In 2018, we became the first toy company to launch a nationwide toy recycling program which has since expanded to six countries with six more scheduled to launch this year as we continue to explore opportunities in more markets for a global recycling program. We are also working with industry associations around the world to create industry-wide toy recycling programs that benefit the entire industry while benefitting the planet. And in 2019, we set our goal to eliminate virtually all plastic from packaging by the end of 2022. We are now exploring alternative materials for our products to reduce our overall environmental impact. In 2020, we have released two products, Mr Potato Head Goes Green and Monopoly Go Green, made from alternative, plant-based plastics and other sustainable materials. We are now using the lessons from these efforts to develop an overall strategy for our products as we continue to pursue alternative materials that meet our needs to create fun, safe and quality toys. All these efforts are driven by our commitment to making the world a better place for all children, fans and families which means doing our part to address climate change and its impacts.
Supply chain and/or value chain	Yes	We have been measuring our GHG footprint and analyzing for opportunity to reduce emissions in product transportation and manufacturing in our supply chain for many years. For example, in 2016, we met our goal of shipping more than 90 percent of our domestic U.S. freight using SmartWay carriers. In Southern California, we utilize the PierPass program, which relieves congestion, shortens wait times at security checkpoints and improves air quality at the ports of Los Angeles and Long Beach by encouraging off-peak activity. In 2017, we carried out a project to better understand the carbon footprint of our U.S. export logistics with the goal of understanding the carbon emissions of various modes of transportation to help inform future logistics strategies. We now use that data in our planning. And, in partnership with our ocean carriers, Hasbro has also engaged in the Clean Cargo initiative from BSR. Through this program, we work with our shippers to collaborate with other companies to create cleaner, more climate friendly ways of shipping goods to market. In 2018, we became the first toy company to pilot the Higg Index to understand the environmental impact of our supply chain. 100 % of our suppliers participated and we have since engaged fully with the Higg Index as a way of not only measuring the environmental impact of our supply chain to help us set emission reduction and energy savings goals in our supply chain but to also to better understand the environmental impact of the materials we use in our products. For us sustainability is a journey, not a destination and always informs our activity as we seek to continuously improve our business and our products to make a better a world for all children, fans and families.
Investment in R&D	Yes	Hasbro is committed to investing in research & development to improve the environmental footprint of our business. For example, in 2019 and 2020, we piloted the use of plant-based plastics and other renewable materials in two new products, Mr Potato Head Goes Green and Monopoly Go Green. We saw this as a not only a learning opportunity for us and how we make our products, but also to help our consumers better understand our commitment to environmental stewardship now and into the future. We are now using the lessons from these efforts to develop an overall environmental sustainability strategy for our products as we continue to pursue alternative materials that meet our needs to create fun, safe and quality toys that are help improve climate change. All of these efforts are driven by our commitment to making the world a better place for all children, fans and families which means doing our part to address climate change and its impacts.
Operations	Yes	Hasbro is committed to investing in renewable energy and addressing GHG emissions from our owned and operated global operations. For example, in 2020 Hasbro purchased 27,683 megawatt-hours (MWh) of renewable energy certificates (RECs) to address virtually 100 percent (99.7%) of our 2019 global electricity consumption for owned and operated facilities. We then purchased 15% more RECs than needed for local markets where available and we purchased carbon offsets at 15% more than needed to cover the remaining 0.3% of electricity in markets where RECs were not available and to cover Scope 1 and some Scope 3 (employee travel) emissions. In 2019, Hasbro also installed new energy efficient HVACs to reduce our GHG footprint and we are currently installing a new, more efficient chiller in our headquarter offices. This is part of our ongoing effort to look for efficiencies in our operations. Moreover, through our Sustainability Center of Excellence, we bring leaders from throughout the company together to raise climate-related risks and opportunities and work collaboratively to address them throughout our operations, in our products, our facilities, our supply chains, and our culture.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs Capital expenditures Capital allocation Acquisitions and divestments Access to capital Assets Liabilities	Revenue: Hasbro is committed to using alternative materials for our products and reducing the environmental impact of our products. For example, in 2019 and 2020, we piloted the use of plant-based plastics and other renewable materials in two new products, Mr Potato Head Goes Green and Monopoly Go Green. We saw this as a not only a learning opportunity for us and how we make our products, but also to help our consumers better understand our commitment to environmental stewardship now and into the future. We are now using the lessons from these efforts to develop an overall environmental sustainability strategy for our products as we continue to pursue alternative materials that meet our needs to create fun, safe and quality toys that are help improve climate change. We expect to make a public announcement about these efforts, including target dates, soon. All these efforts are driven by our commitment to making the world a better place for all children, fans and families which means doing our part to address climate change and its impacts. For example, we invest in renewable energy programs around the world, in the markets in which we operate, through the purchase of Renewable Energy Certificates (RECs) and Carbon Offsets. In 2019, we invested beyond our needs, purchasing 15% more RECs and Carbon Offsets than needed to cover the energy we used in our owned and operated facilities. We are currently investing in research of new materials for making our products.

C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year? Absolute target $\,$

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2016

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based)

Base year

2015

Covered emissions in base year (metric tons CO2e)

14763

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2025

Targeted reduction from base year (%)

20

Covered emissions in target year (metric tons CO2e) [auto-calculated]

11810.4

Covered emissions in reporting year (metric tons CO2e)

12738.27

% of target achieved [auto-calculated]

68.5744767323715

Target status in reporting year

Underway

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Target ambition

<Not Applicable>

Please explain (including target coverage)

Our target covers global Hasbro owned and operated facilities.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production

Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number

Low 1

Year target was set

2020

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Metric (target numerator if reporting an intensity target)

Percentage

Target denominator (intensity targets only)

<Not Applicable>

Base year

2020

Figure or percentage in base year

0

Target year

2020

Figure or percentage in target year

100

Figure or percentage in reporting year

99.4

% of target achieved [auto-calculated]

99.4

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes, our goal is to purchase country-specific RECs for all Scope 2 emissions annually since 2015, where available. Where RECS are not available, we purchase Carbon Offsets to cover our emissions from those countries not covered by RECs.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

 $Countries \ where \ RECs \ are \ not \ available, \ the \ associated \ electricity \ is \ covered \ by \ energy \ Carbon \ Offset \ goals \ (C4.2b - Oth \ 2).$

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2020

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Please select

Target denominator (intensity targets only)

<Not Applicable>

Base year

2020

Figure or percentage in base year

0

Target year

2020

Figure or percentage in target year

100

Figure or percentage in reporting year

100

% of target achieved [auto-calculated]

100

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes - Our goal is to purchase Carbon Offsets for all Scope 1 emissions annually, since 2015.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

Target covers our owned and operated facilities around the globe.

Target reference number

Oth 2

Year target was set

2020

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Please select

Target denominator (intensity targets only)

<Not Applicable>

Base year

2020

Figure or percentage in base year

0

Target year

2020

Figure or percentage in target year

100

Figure or percentage in reporting year

100

% of target achieved [auto-calculated]

100

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes - Our goal is to cover our Scope 2 emissions with RECs each year, and to purchase Carbon Offsets for all Scope 2 emissions where RECs are not available. This has been our annual goal since 2015.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

We purchase RECs to cover the emissions from electricity usage in our owned and operated facilities. For those countries where RECS are not available we purchase Carbon Offsets for the emissions from electricity used in those markets at our owned and operated faciliti. In 2020, these Offsets were for less than 1% of total Scope 2 Electricity usage in our owned and operated facilities.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*		
Implemented*	4	1800
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings

Estimated annual CO2e savings (metric tonnes CO2e)

75

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency - as specified in C0.4)

Investment required (unit currency - as specified in C0.4)

Payback period

1-3 years

Estimated lifetime of the initiative

3-5 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)

150

Scope(s)

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

4-10 years

Estimated lifetime of the initiative

6-10 years

Comment

Initiative category & Initiative type

Company policy or behavioral change Other, please specify (Employee Engagement)

Estimated annual CO2e savings (metric tonnes CO2e)

75

Scope(s)

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency - as specified in C0.4) Payback period <1 year Estimated lifetime of the initiative 1-2 years Comment Initiative category & Initiative type Company policy or behavioral change Site consolidation/closure Estimated annual CO2e savings (metric tonnes CO2e) Scope(s) Scope 1 Scope 2 (location-based) Voluntary/Mandatory Voluntary Annual monetary savings (unit currency - as specified in C0.4) Investment required (unit currency - as specified in C0.4) Payback period <1 year Estimated lifetime of the initiative 1-2 years Reduced HVAC usage, consolidated building occupancy to lessen utility usage in unoccupied areas of buildings during the Covid-19 shutdown when offices were not occupied at usual capacity. C4.3c (C4.3c) What methods do you use to drive investment in emissions reduction activities? Dedicated budget for other emissions reduction activities Budget for the purchase of Renewable Energy Certificates and Carbon Offsets for Scope 1 and 2 Emissions. C4.5 (C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions? No

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1 2015

Base year end

December 31 2015

Base year emissions (metric tons CO2e)

5207

Comment

Owned and operated facilities

Scope 2 (location-based)

Base year start

January 1 2015

Base year end

December 31 2015

Base year emissions (metric tons CO2e)

9466

Comment

Owned and operated facilities

Scope 2 (market-based)

Base year start

January 1 2015

Base year end

December 31 2015

Base year emissions (metric tons CO2e)

9466

Comment

Owned and operated facilities

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019

Energy Information Administration 1605B

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol: Scope 2 Guidance

US EPA Center for Corporate Climate Leadership: Direct Fugitive Emissions from Refrigeration, Air Conditioning, Fire Suppression, and Industrial Gases

US EPA Center for Corporate Climate Leadership: Indirect Emissions From Purchased Electricity

 ${\tt US\ EPA\ Center\ for\ Corporate\ Climate\ Leadership:\ Direct\ Emissions\ from\ Stationary\ Combustion\ Sources}$

US EPA Center for Corporate Climate Leadership: Direct Emissions from Mobile Combustion Sources

US EPA Emissions & Generation Resource Integrated Database (eGRID)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

5849

Start date

<Not Applicable>

End date

<Not Applicable>

Commen

Scope 1 emissions cover mobile combustion, stationary combustion, and refrigerants for Hasbro owned and operated facilities.

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Dow 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

6889.3

Scope 2, market-based (if applicable)

45.76

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

Hasbro is committed to addressing the GHG emissions from our owned and operated global operations. Specifically, we purchase RECs where available in all markets in which we have facilities to address the emissions generated by our corresponding electricity use. The market-based emissions reflect this program.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Capital goods

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

23779.39

Emissions calculation methodology

We used the CCWG (Clean Cargo Working Group) methodology to calculate CO2 emission factors per vessel for ocean shipments. For third-party distribution centers: US locations - We used emission factors from EPA Center for Corporate Climate Leadership for electricity and stationary combustion for US Rest of World locations - IEAEmission Factors 2019 for electricity and EPA Center for Corporate Climate Leadership for stationary combustion https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf GWP for CH4 and N2O - We used the IPCC 5th Assessment (AR5).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Data collected from third party distribution and logistic partners.

Waste generated in operations

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

774.47

Emissions calculation methodology

GHG Protocol Transport Emissions - https://ghgprotocol.org/sites/default/files/Transport_Tool_v2_6.xlsxH

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Calculation is for employee air travel in 2020. Data collected from corporate travel agencies.

Employee commuting

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We do not have any upstream leased assets.

Downstream transportation and distribution

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Processing of sold products

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Use of sold products

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

End of life treatment of sold products

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

No downstream leased assets

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

No franchises.

Investments

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Other (upstream)

Evaluation status

Relevant, calculated

Metric tonnes CO2e

167820.86

Emissions calculation methodology

For US electricity and stationary combustion and Rest of World Stationary Combustion - EPA Center for Corporate Climate

Leadership:https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf All electricity consumption outside of US - IEA Emission Factors 2019Additional Emission factors (from EPA for stationary combustion): Distillate Fuel Oil #2 CO2 (kg CO2/gallon) 10.21 CH4 (g CH4/MMBtu) 0.41 N2O (g N2O/MMBtu) 0.08IPCC 5th Assessment for GWPs for CH4 and N2O

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Emissions related to Tier I 3rd Party Manufacturing - stationary combustion and electricity. Emissions are based on Hasbro's production allocation within the facilities.

Other (downstream)

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

CDP

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

2.330711

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

12738.27

Metric denominator

unit total revenue

Metric denominator: Unit total

5465.4

Scope 2 figure used

Location-based

% change from previous year

14.63

Direction of change

Decreased

Reason for change

Revenue increased with the addition of the Entertainment One acquisition while emissions decreased in 2020 due to Covid compared to 2019. Intensity metric is MT CO2e per million dollars of revenue (5,465.40 = 5,465.400,000).

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	5824.56	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	184.7	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	61.23	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Other, please specify (US/Canada)	2133.21
Other, please specify (Latin America)	54.98
Other, please specify (Europe, Middle East, & Africa)	3485.907
Other, please specify (Asia Pacific)	174.87

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
US/Canada	2133.21
Asia-Pacific	174.87
Europe, Middle East & Africa	3485.907
Latin America	54.98

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	based (metric	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Other, please specify (USA/Canada)	3997.96	0	17078	17078
Other, please specify (Latin America)	437.11	4.2	1086.58	1074.6
Other, please specify (Europe, Middle East, Africa)	1238.97	0	5596.1	5596.1
Other, please specify (Asia-Pacific) RECs not available for two markets in Asia-Pacific: New Zealand and Korea. Hasbro purchased more RECs than needed in each market to help mitigate this issue. That is not reflected in these numbers.	1215.26	41.56	1843.63	1759.6

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
US/Canada	3997.96	0
Latin America	437.11	4.2
EMEA	1238.97	0
Asia-Pacific	1215.26	41.56

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<not applicable=""></not>		
Other emissions reduction activities		<not applicable=""></not>		
Divestment		<not applicable=""></not>		
Acquisitions	1726.33	Increased	15.7	Addition of 30 office locations through Entertainment One acquisition
Mergers		<not applicable=""></not>		
Change in output		<not applicable=""></not>		
Change in methodology		<not applicable=""></not>		
Change in boundary		<not applicable=""></not>		
Change in physical operating conditions	1899.35	Decreased	14.7	Reduced operations globally due to pandemic.
Unidentified		<not applicable=""></not>		
Other		<not applicable=""></not>		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWI
Consumption of fuel (excluding feedstock)	Unable to confirm heating value	0	16455.75	16455.75
Consumption of purchased or acquired electricity	<not applicable=""></not>	25508.3	96.01	25604.31
Consumption of purchased or acquired heat	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>
Consumption of purchased or acquired steam	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>
Consumption of purchased or acquired cooling	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>
Consumption of self-generated non-fuel renewable energy	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>
Total energy consumption	<not applicable=""></not>	25508.3	16551.76	42060.02

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	Yes
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Fuel Oil Number 2

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

837

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

10.21

Unit

kg CO2e per gallon

Emissions factor source

 $EPA\ Center\ for\ Corporate\ Climate\ Leadership:\ https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf$

Comment

Additional Emission factors (from same source): Distillate Fuel Oil #2 CO2 (kg CO2/gallon) 10.21 CH4 (g CH4/MMBtu) 0.41 N2O (g N2O/MMBtu) 0.08

Fuels (excluding feedstocks)

Natural Gas

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

15619.28

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

0.05444

Uni

kg CO2 per million Btu

Emissions factor source

EPA Center for Corporate Climate Leadership: https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf

Comment

Additional Emission factors (from same source): Natural Gas CO2 (kg CO2/gallon) 0.05444 CH4 (g CH4/MMBtu) 0.00103 N2O (g N2O/MMBtu) 0.00010

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Unbundled energy attribute certificates, Renewable Energy Certificates (RECs)

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Japan

MWh consumed accounted for at a zero emission factor

51

Comment

J-Credit Implementation Rule (v.4.2)

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Austria

MWh consumed accounted for at a zero emission factor

3

Comment

European Legislation Directive 2009/28/EC

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

3elgium

MWh consumed accounted for at a zero emission factor

4

Comment

European Legislation Directive 2009/28/EC

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Czechia

MWh consumed accounted for at a zero emission factor

27

Comment

European Legislation Directive 2009/28/EC

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Denmark

MWh consumed accounted for at a zero emission factor

20

Comment

European Legislation Directive 2009/28/EC

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

France

MWh consumed accounted for at a zero emission factor

Comment

European Legislation Directive 2009/28/EC

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Germany

MWh consumed accounted for at a zero emission factor

476

Comment

European Legislation Directive 2009/28/EC

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Greece

MWh consumed accounted for at a zero emission factor

19

Comment

European Legislation Directive 2009/28/EC

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Hungary

MWh consumed accounted for at a zero emission factor

2

Comment

European Legislation Directive 2009/28/EC

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Ireland

MWh consumed accounted for at a zero emission factor

458

Comment

European Legislation Directive 2009/28/EC

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Italy

MWh consumed accounted for at a zero emission factor

35

Comment

European Legislation Directive 2009/28/EC

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Netherlands

MWh consumed accounted for at a zero emission factor

105

Comment

European Legislation Directive 2009/28/EC

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Doland

MWh consumed accounted for at a zero emission factor

31

Comment

European Legislation Directive 2009/28/EC

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Portugal

MWh consumed accounted for at a zero emission factor

3

Comment

European Legislation Directive 2009/28/EC

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Hydropower

$\label{lem:country} \textbf{Country/area of consumption of low-carbon electricity, heat, steam or cooling}$

Romania

MWh consumed accounted for at a zero emission factor

4

Comment

European Legislation Directive 2009/28/EC

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Russian Federation

MWh consumed accounted for at a zero emission factor

173

Comment

European Legislation Directive 2009/28/EC

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Spain

MWh consumed accounted for at a zero emission factor

338

Comment

European Legislation Directive 2009/28/EC

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Switzerland

MWh consumed accounted for at a zero emission factor

1Ω

Comment

European Legislation Directive 2009/28/EC

Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

China

MWh consumed accounted for at a zero emission factor

774

Comment

Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

China, Hong Kong Special Administrative Region

MWh consumed accounted for at a zero emission factor

689

Comment

Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type

Hydropower

 ${\bf Country/area\ of\ consumption\ of\ low-carbon\ electricity,\ heat,\ steam\ or\ cooling}$

Taiwan, Greater China

MWh consumed accounted for at a zero emission factor

3

Comment

Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Mexico

MWh consumed accounted for at a zero emission factor

781

Comment

Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type

Hydropower

 $\label{lem:country} \textbf{Country/area of consumption of low-carbon electricity, heat, steam or cooling}$

Peru

MWh consumed accounted for at a zero emission factor

168

Comment

Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type

Biomass

Country/area of consumption of low-carbon electricity, heat, steam or cooling

South Africa

MWh consumed accounted for at a zero emission factor

3

Comment

Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Turkey

MWh consumed accounted for at a zero emission factor

41

Comment

Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type

Solar

Country/area of consumption of low-carbon electricity, heat, steam or cooling

United Arab Emirates

MWh consumed accounted for at a zero emission factor

16

Comment

Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Viet Nam

MWh consumed accounted for at a zero emission factor

26

Comment

Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Brazil

MWh consumed accounted for at a zero emission factor

67

Comment

Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Chile

MWh consumed accounted for at a zero emission factor

69

Comment

Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Colombia

MWh consumed accounted for at a zero emission factor

46

Comment

Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Malaysia

MWh consumed accounted for at a zero emission factor

34

Comment

Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type

Solar

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Singapore

MWh consumed accounted for at a zero emission factor

30

Comment

Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Thailand

MWh consumed accounted for at a zero emission factor

14

Comment

Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

India

MWh consumed accounted for at a zero emission factor

118

Comment

I-RECs and/or Tradable Instruments for Global Renewables Standard (TIGRS)

Sourcing method

Unbundled energy attribute certificates, Renewable Energy Certificates (RECs)

Low-carbon technology type

Low-carbon energy mix

$\label{lem:country} \textbf{Country/area of consumption of low-carbon electricity, heat, steam or cooling}$

Australia

MWh consumed accounted for at a zero emission factor

113

Comment

REC-Australian LCGs- LGC's as defined by the Australian Renewable Energy (Electricity) Act

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Biomass

Country/area of consumption of low-carbon electricity, heat, steam or cooling

United Kingdom of Great Britain and Northern Ireland

MWh consumed accounted for at a zero emission factor

1990

Comment

UKREGO

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Canada

MWh consumed accounted for at a zero emission factor

2247

Comment

Certified under Green-e Renewable Energy Standard for Canada and the United States v.3.5

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

United States of America

MWh consumed accounted for at a zero emission factor

15686

Comment

Certified under Green-e Renewable Energy Standard for Canada and the United States v.3.5

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Energy usage

Metric value

42060.02

Metric numerator

MWh

Metric denominator (intensity metric only)

% change from previous year

11.4

Direction of change

Decreased

Please explain

Decreased due to pandemic energy saving measures. Larger decreases offset by acquisition of eOne business that added 30 office locations.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Moderate assurance

Attach the statement

2021_07_26_Hasbro_Assurance statement.pdf

Page/ section reference

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Moderate assurance

Attach the statement

2021_07_26_Hasbro_Assurance statement.pdf

Page/ section reference

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Moderate assurance

Attach the statement

2021_07_26_Hasbro_Assurance statement.pdf

Page/ section reference

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Upstream transportation and distribution

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Moderate assurance

Attach the statement

2021_07_26_Hasbro_Assurance statement.pdf

Page/section reference

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5? No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase

Credit purchase

Project type

Wind

Project identification

Offset - Hebei Guyuan County Dongxinying 199.5 MW Wind Power Project

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

7003

Number of credits (metric tonnes CO2e): Risk adjusted volume

Credits cancelled

No

Purpose, e.g. compliance

Voluntary Offsetting

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

100

Rationale for the coverage of your engagement

To better understand and address our environmental footprint throughout the value chain.

Impact of engagement, including measures of success

Measurement of complete GHG footprint to identify opportunities for reduction.

Comment

We collect environmental impact data from our manufacturing partners and our 3rd Party logistics providers including distribution centers and ocean/air freight partners.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

100

Rationale for the coverage of your engagement

Through customer engagement (see C12.1b) suppliers report climate-related data and support ongoing Hasbro climate initiatives directly with customers.

Impact of engagement, including measures of success

Work with Hasbro to reduce packaging waste and environmental impact to meet customer goals

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Education/information sharing

Details of engagement

Run an engagement campaign to education customers about your climate change performance and strategy

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

Portfolio coverage (total or outstanding)

<Not Applicable>

Please explain the rationale for selecting this group of customers and scope of engagement

We work with select customers, including Walmart, Target, Tesco, and Amazon, who have a shared vision and goals on specific climate change initiatives.

Impact of engagement, including measures of success

We help our customers to meet their climate change and other sustainability goals and reporting requirements. A specific example of a customer initiative is the Walmart Project Gigaton, which is focused on reducing their global emissions, including their suppliers like Hasbro. As a result of our sustainability initiatives, Hasbro has achieve the highest rating of Giga Guru. Partnerships to reduce packaging waste and environmental impacts.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

We contract manufacture products from all around the world with the majority coming from Asia. Our product travels great distances to serve our changing market needs that continue to evolve as our business expands and grows. We contract with a vast logistics network — including trucks, railroads, barges, airplanes, and container ships — to transport our products from factories through distribution centers to retail stores. An important challenge we face is meeting the delivery needs of our customers and managing the costs of delivery, while keeping in mind the environmental impact of the required mode of transportation. Each mode of transportation has a different impact on the environment through their energy usage and resulting carbon emissions. To improve cost efficiency while minimizing the environmental impacts, we pursue a variety of transportation strategies, including: We also utilize third-party programs to improve the environmental footprint of our logistics operations. For example, Hasbro has been a member of the U.S. Environmental Protection Agency (EPA) SmartWay® Transport Partnership since 2012. This program helps business move products as efficiently as possible while utilizing transportation SmartWay members. While not a requirement, we have a preference to work with SmartWay carriers. In 2016, we met our goal of shipping over 90 percent of our domestic U.S. freight using SmartWay carriers. In Southern California, we utilize the Pier Pass program, which relieves congestion, shortens wait times at security checkpoints and improves air quality at the ports of Los Angeles and Long Beach by encouraging off-peak activity. Reducing container movement during peak hours means fewer trucks on the road during heavy traffic periods, reducing fuel consumption and emissions. In 2016, 50 percent of our containers at these ports were moved during off-peak hours. We aim to unload as many containers as possible off-peak. We remain committed to finding ways to optimize our logistics network to reduce our environme

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Trade associations

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Hasbro is a leader in the Toy Association (US – Board member) and Toy Industries of Europe (TIE - board member). We are also the first toy company to join the Responsible Business Alliance (formerly EICC), and we were a founding member of Business for Social Responsibility (BSR) and a founding member of the Southeast Asia Toy Association. Hasbro also serves in a variety of capacities on regional associations including the following: In Asia, Hasbro is serves on the Australia Toys Association (ATA) (board member to be), Japan – Japan Toys Association (JTA) member, and India FICCI (Federation of Indian Chamber of Commerce and Industry) Toy Sector Committee – Co-chair In Europe, Hasbro is a member of Chamber of Commerce to the EU and a number of country-based toy associations across Europe including in France and Britain, where Hasbro serves on the board.

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position

The Toy Association states that it is "committed to helping members reduce their environmental impact through package reduction, as well as increased use of renewable energy sources and recycled / bio-materials in production." This aligns with Hasbro's own objectives. As one of the five pillars of RBA's Code of Conduct, environmental sustainability is a core component of many RBA members' CSR programs. It is the environmental mission of the RBA to ensure that its members and their suppliers are prepared to address an increasingly diverse and sensitive array of challenges around environmental performance, compliance and efficiency within electronics-based industries. With the ability to engage companies throughout supply chains, the RBA is uniquely positioned to drive environmentally sustainable progress. This position aligns with Hasbro's own objectives.

How have you influenced, or are you attempting to influence their position?

Hasbro currently chairs the Toy Association Government Affairs Committee, and we are members of the Sustainability Committee. On the Australian Toy Association, Hasbro is a Sustainability committee member where we are working with or exploring the following initiatives with other members: • An industry-wide adoption of a toy recycling program, Hasbro was the first in the toy industry to pilot in six major markets. • Button battery stewardships advocacy In Europe, we are active members of the Toy Industry of Europe's Product Safety and Environmental Committee. In Britain, we serve on the Environmental Committee of the BTHA. And we are active members of the German Toy Associations Technical and Environmental Committee. In Latin America, we are actively involved in the Green Eletron organization in Brazil where we work on reverse logistics of the disposal of batteries for Hasbro Brazil.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Hasbro believes it is our responsibility as a corporate citizen to engage constructively on global public policy issues that may have a direct impact on our business. All engagement is led by Hasbro's Global Government Affairs Department under the Global Purpose Organization, and signed off by executive leadership, as necessary. All corporate interaction with any toy associations, government officials, policymakers, NGOs, and community groups are evaluated by Hasbro's Global Government Affairs Department and the Chief Purpose Officer prior to engagement. Hasbro meetings with government officials regarding Hasbro business must be approved by the Government Affairs and Compliance Departments and logged in the Annual Meeting Log, per Hasbro's Political Activity and Lobbying Policy. Furthermore, our Chief Purpose Officer, who is also the SVP of Global Government Affairs and CSR, sits on Hasbro's Sustainability Center of Excellence (SCOE), a cross-functional team that oversees climate change and environmental sustainability issues across our global operations, supply chain, and for our products and packaging, to help guide our climate and environmental initiatives to meet and often surpass regulatory requirements. The Chief Purpose Officer also leads our corporate CSR team and works cross-functionally to develop and implement strategic initiatives across our company and advise on key issues. The SVP briefs our CEO and board committee on corporate affairs. The CSR team stays abreast of emerging CSR issues, shapes the company's CSR agenda, and drives progress and performance across the company, including developing our climate policy and leading sustainability initiatives within the company. Our CSR commitments are guided by a comprehensive suite of corporate policies that spell out our high standards and help ensure that they are being followed across our business. We review our CSR related policies on at least an annual basis, and changes are reviewed by our board of directors.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Underway - previous year attached

Attach the document

2019 2020 Hasbro CSR Update.pdf

2016 2017 Hasbro CSR Report_Comprehensive.pdf

Page/Section reference

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

Comment

We publish annual updates containing our GHG performance data in addition to other ESG metrics. Hasbro is currently drafting a 2021 CSR update which will include our GHG performance data, building upon our recent 2019-2020 CSR Update Report and our previous comprehensive full CSR report. Both of these documents are attached for reference. Hasbro also publishes an annual Renewable Energy Performance Statement.

Publication

In voluntary communications

Status

Underway - previous year attached

Attach the document

2020 Renewable Energy Statement.pdf

Page/Section reference

Content elements

Other metrics

Comment

Hasbro produces an annual Renewable Energy and Greenhouse Gas Emissions Statement that details how we invest in renewable energy certificates and offsets to help address our carbon footprint. For 2020, in the markets for which we can purchase RECs, we are purchasing more than needed to further reduce our carbon footprint.

Publication

Other, please specify (Australian Packaging Covenant Report)

Status

Underway - previous year attached

Attach the document

Hasbro_2020_AnnualReportActionPlan.pdf

Page/Section reference

Content elements

Governance

Strategy

Risks & opportunities

Other metrics

Comment

Hasbro participates in the Australian Packaging Covenant Organization and submits information on our efforts to reduce our environmental footprint from packaging. We are ranked a Leader in the 2020 Annual Report and Action Plan. 2021 Report is not posted yet to APC site. Attached is our 2020 report.

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Purpose Officer	Other C-Suite Officer

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP? No

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Customer base is too large and diverse to accurately track emissions to the customer level	Unknown

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

Most customers do not request emissions data

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

Submit your response

In which language are you submitting your response? English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain questions?
I am submitting my response	Investors Customers	Public	Yes, I will submit the Supply Chain questions now

Please confirm below

I have read and accept the applicable Terms