

2017 Update
Corporate Social Responsibility Report



Playing With Purpose



About This Report

Our 2017 Corporate Social Responsibility (CSR) Report Update highlights our performance for calendar year 2017 (January 1, 2017-December 31, 2017). This supplements Hasbro's 2016 [Corporate Social Responsibility Report](#) which should be referenced for any specific details on our programs outside of this 2017 Report Update. Reporting and performance data include information on Hasbro owned and operated facilities (offices and distribution centers) unless stated otherwise. We verify our greenhouse gas emissions data on an annual basis using a third-party provider and disclose their assurance statement in our annual CDP report.

To find out more about CSR at Hasbro visit www.hasbro.com/csr or to provide feedback on our reporting please contact us at: csr@hasbro.com.

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Governance and Ethics

2017

CORPORATE GOVERNANCE

Number of members on Hasbro's board of directors	12
Number of independent members on the board	11
Number of female directors on the board	5
Percentage of female directors on the board	42%

ETHICS AND COMPLIANCE

Number of active employees who completed annual Code of Conduct training.	Approximately 5,000 employees
Complaints received through Hasbro's ethics helpline and mailboxes, and other sources.	86
Total number of incidents of discrimination and corrective actions taken. (GRI G4-HR3)	In 2017, one charge of discrimination was filed against Hasbro with the United States Equal Employment Opportunity Commission (EEOC). We fully investigated and found no evidence of discrimination and therefore denied the claim. No further action has been taken by the EEOC to date.
Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices. (GRI G4-SO7)	0
Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations. (GRI G4-SO8)	0



Product Responsibility

(Product Safety and Responsible Marketing)

2017

PRODUCT SAFETY

Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle. (GRI G4-PR2)

0

Hasbro is proud of our product and material safety efforts and our record, which includes zero consumer product recalls and no product safety fines in nearly a decade.

Percentage of significant products and service categories for which health and safety impacts are assessed for improvement. (GRI G4-PR1)

100%

RESPONSIBLE MARKETING

Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes. (GRI G4-PR7)

Hasbro had zero incidents of non-compliance with regulations and voluntary codes concerning marketing communications, however, we received one of the FTC educational letters regarding endorsements which we addressed voluntarily.

Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data. (GRI G4-PR8)

Hasbro did not receive a written statement or complaint from a regulatory or similar official body identifying a breach of customer personal data unknown to Hasbro.

Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services. (GRI G4-PR9)

0



Environment¹

2013

2014

2015

2016

2017

EMISSIONS AND ENERGY

Greenhouse Gas Emissions² (metric tons CO₂e)

SCOPE 1 (DIRECT)

Asia Pacific	0	0	0	0	0
Europe	3,341	2,691	1,773	1,649	2,704
Latin America	601	923	144	129	121
U.S./Canada	3,405	3,668	3,380	3,443	3,761
Total Direct	7,347	7,282	5,297	5,221	6,586
Normalized (metric tons/\$million of revenue)	1.80	1.70	1.19	1.04	1.26

SCOPE 2 (INDIRECT)

Asia Pacific	2,513	2,168	1,840	1,675	1,733
Europe	5,077	4,229	2,944	1,794	1,434
Latin America	467	467	448	466	518
U.S./Canada	8,847	8,220	4,234	4,606	4,272
Total Indirect	16,904	15,084	9,466	8,541	7,957
Normalized (metric tons/\$million of revenue)	4.14	3.53	2.13	1.70	1.53
Total GHG Emissions (direct and indirect)	24,251	22,366	14,763	13,762	14,543
Total Normalized (metric tons/\$million of revenue)	5.94	5.23	3.32	2.74	2.79

CO₂ Emissions (metric tons CO₂)

SCOPE 1 (DIRECT)

Asia Pacific	0	0	0	0	0
Europe	3,266	2,688	1,771	1,647	2,704
Latin America	592	888	144	129	121
U.S./Canada	3,371	3,602	3,314	3,437	3,761
Total Direct	7,229	7,178	5,229	5,213	6,586
Normalized (metric tons/\$million of revenue)	1.77	1.68	1.18	1.04	1.26

	2013	2014	2015	2016	2017
SCOPE 2 (INDIRECT)					
Asia Pacific	2,448	2,155	1,829	1,665	1,733
Europe	5,014	4,212	2,930	1,785	1,434
Latin America	465	466	447	465	518
U.S./Canada	8,781	8,156	4,206	4,576	4,272
Total Indirect	16,708	14,989	9,412	8,491	7,957
Normalized (<i>metric tons/\$million of revenue</i>)	4.09	3.50	2.12	1.69	1.53
Total CO₂ Emissions (<i>direct and indirect</i>)	23,937	22,167	14,641	13,704	14,543
Total Normalized	5.86	5.18	3.29	2.73	2.79
OTHER REPORTABLE EMISSIONS					
VOC EMISSIONS³	9.23	7.10	0	0	0
NO_x EMISSIONS⁴	0	0	0	0	0
SO_x EMISSIONS⁴	0	0	0	0	0
TRI EMISSIONS⁵	De minimis	De minimis	De minimis	De minimis	De minimis



2013 2014 2015 2016 2017

ENERGY

Energy Consumption (gigajoules)

Asia Pacific	11,066	9,685	8,274	7,384	7,597
Europe	40,831	25,793	26,162	21,467	17,817
Latin America	3,186	3,207	3,047	3,132	3,433
U.S./Canada	95,087	93,638	55,723	60,980	61,122
Total Electricity	150,170	132,322	93,206	92,963	89,968
Normalized (gigajoules/\$million of revenue)	37	31	21	19	17
Fuel	76,518	77,263	65,552	68,159	71,425
Total	226,688	209,585	158,759	161,122	161,393
Total Normalized (gigajoules/\$million of revenue)	55.53	49.00	35.70	32.10	30.98

SCOPE 3⁶

Energy consumption outside the organization. (GRI G4-EN4)	52,876,674	52,156,523
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WATER

Water Consumption⁷ (U.S. million gallons)

Asia Pacific	2.2	2.2	2.1	1.7	1.9
Europe	2.5	2.3	1.9	2.0	2.1
Latin America	0.1	0.1	0.1	0.3	0.4
U.S./Canada	8.8	9.1	9.1	13.8	12.4
Total	13.6	13.7	13.2	17.8	16.8
Normalized (U.S. million gallons/thousand employees)	2.72	2.63	2.64	3.30	3.11



WASTE

Non-Hazardous Waste⁷ (U.S. short tons)

Recycling	7,043	5,074	1,128	1,589	2,448
Disposal	1,706	1,830	1,796	1,658	2,238
Total	8,749	6,904	2,924	3,247	4,686
Recycled %	81%	73%	39%	49%	52%

Hazardous Waste⁸ (U.S. short tons)

U.S./Canada	32	31	15	10	12
Total	32	31	15	10	12
Normalized (U.S. short tons/million square feet)	6.73	6.22	4.77	2.93	3.76
Total Significant Spills	0	0	0	0	0

ENVIRONMENTAL COMPLIANCE

Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations. (GRI G4-EN29) 0

Total environmental protection expenditures and investments by type. (GRI G4-EN31) In 2017, Hasbro incurred approximately \$800,000 in investigative and remediation expenses as part of ongoing activities associated with environmental remediation efforts.

Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms. (GRI G4-EN34) 0

¹ 2013-2014 figures include information on formerly owned and operated Hasbro manufacturing facilities which were sold in 2015.

² Direct emissions (Scope 1) include sources of stationary combustion, mobile combustion and refrigerants. Indirect emissions (Scope 2) include consumption of purchased electricity.

³ 2013-2014 VOC emissions are from formerly owned and operated Hasbro manufacturing facilities in Massachusetts, U.S., and Waterford, Ireland. Additionally, Hasbro provided state level reporting per compliance requirements for the formerly owned and operated manufacturing facility located in Massachusetts, U.S.

⁴ Hasbro operates its facilities in accordance with all regulatory environmental requirements. Where applicable, Hasbro reports any wastes and emissions to the required local, state and federal regulatory bodies. Hasbro does not generate reportable quantities of NOx, SOx and TRI because our emissions are de minimis and below reporting thresholds, including when normalized.

⁵ Hasbro does provide Toxic Release Inventory (TRI) data to the U.S. Environmental Protection Agency (EPA) per federal guidelines. However, as a de minimis emitter, this reported data does not meet the threshold defined by the EPA in its public information system for the results to be presented in any query through its system.

⁶ Hasbro's Scope 3 energy consumption includes electricity and fuel usage for a significant portion of third-party manufacturing representing approximately 90% of China-based production, however it is not verified as part of our annual third-party data verification process.

⁷ Data is not available for a small percentage of operated leased facilities where Hasbro waste and water was not segregated.

⁸ Primary hazardous waste materials generated include solvent and paint-related waste.

Human Rights and Ethical Sourcing

2017

HUMAN RIGHTS

Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening. (GRI G4-HR1)	100% of third-party agreements with vendors and licensees contain human rights clauses or are subject to human rights audits.
Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained. (GRI G4-HR2)	Through Hasbro's Code of Conduct training, we trained approximately 5,000 employees on policies and procedures concerning aspects of human rights in 2017.
Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations. (GRI G4-HR7)	100%
Total number and percentage of operations that have been subject to human rights reviews or impact assessments. (GRI G4-HR9)	100% of our supply chain operations
Percentage of new suppliers that were screened using human rights criteria. (GRI G4-HR10)	100%
Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms. (GRI G4-HR12)	Hasbro did not receive any grievances about human rights in 2017. Hasbro did not receive any fines for human rights issues in our supply chain from 2013-2017.

ETHICAL SOURCING

New Supplier Screening

Percentage of new suppliers that were screened using labor practices criteria. (GRI G4-LA14)	100%
Percentage of new suppliers that were screened using criteria for impacts on society. (GRI G4-SO9)	100%
Percentage of new suppliers that were screened using criteria for impacts on environment. (GRI G4-EN32)	100%

Vendor Social Compliance Management

Percentage of third-party vendors required to undergo annual social compliance audit.	100%
Operations and suppliers identified as having significant risk for incidents of child labor. (GRI G4-HR5)	0
Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor. (GRI G4-HR6)	In 2017, Hasbro identified one factory, out of over 2,000 factories in our global supply chain, in which workers were paying nominal labor agents fees. We required the factory to work with a leading third-party social compliance expert to remediate issues and fully reimburse workers.
Number of third-party factories trained on Hasbro's ethical sourcing and social compliance requirements through both live in-person and online trainings.	96%
Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms. (GRI G4-SO11)	0

Employees

	2013	2014	2015	2016	2017
EMPLOYEES ⁹					
Employees,¹⁰ New Hires^{10,11} and Voluntary Turnover^{10,11}					
TOTAL EMPLOYEES	5,035	5,202	4,950	5,382	5,660
Employees (Age Under 30 Years Old)	—	—	—	750	829
Employees (Ages 30-50 Years Old)	—	—	—	3,589	3,682
Employees (Ages 51+ Years Old)	—	—	—	1,030	1,138
Female Employees	50%	51%	54%	55%	55%
TOTAL NEW HIRES	632	710	720	933	1,276
New Hires (Age Under 30 Years Old)	—	—	—	422	582
New Hires (Ages 30-50 Years Old)	—	—	—	455	576
New Hires (Ages 51+ Years Old)	—	—	—	53	118
% Female New Hires	54%	58%	58%	58%	56%
% VOLUNTARY TURNOVER (by rate)	10%	8%	7%	7%	8%
% Voluntary Turnover (Age Under 30 Years Old)	—	—	—	9%	12%
% Voluntary Turnover (Ages 30-50 Years Old)	—	—	—	6%	8%
% Voluntary Turnover (Ages 51+ Years Old)	—	—	—	5%	7%
% Female Voluntary Turnover ¹²	—	—	—	8%	9%



2013

2014

2015

2016

2017

Employees, New Hires¹¹ and Voluntary Turnover¹¹ by Region

U.S.

Employees	2,533	2,644	2,425	2,623	2,661
New Hires	357	434	376	631	749
Voluntary Turnover	12% ¹³	9% ¹⁴	7%	7%	6%

CANADA

Employees	155	153	152	177	172
New Hires	14	8	12	28	24
Voluntary Turnover	6%	6%	3%	7%	8%

ASIA PACIFIC

Employees	892	920	997	1,123	1,209
New Hires	103	128	166	196	208
Voluntary Turnover	7%	8%	8%	10%	11%

EUROPE

Employees	1,222	1,227	1,097	1,170	1,323
New Hires	114	93	121	39	235
Voluntary Turnover	7%	5%	6%	3%	9%

LATIN AMERICA

Employees	121	138	147	152	160
New Hires	27	28	27	24	33
Voluntary Turnover	15%	6%	8%	9%	8%

MEXICO

Employees	112	120	132	137	135
New Hires	17	19	18	15	27
Voluntary Turnover	15%	7%	8%	4%	12%

Labor Relations¹⁵

Percentage of Hasbro employees covered by unions or collective bargaining agreements globally.

10.5%

2013

2014

2015

2016

2017

DIVERSITY AND INCLUSION⁹

Women in Our Workforce

Female Employees ¹¹	50%	51%	54%	55%	55%
Female Leaders/Managers ^{11,16}	30%	33%	35%	37%	38%
U.S. Female Employees	48%	49%	53%	54%	54%
U.S. Female Leaders/Managers ^{11,16}	33%	34%	36%	37%	38%

Minorities in Our Workforce (U.S.)

Minority Employees	15%	16%	16%	17%	17%
Minority Leaders/Managers ¹⁶	8%	8%	8%	9%	8%
Minority New Hires	17%	28%	23%	24%	25%

Employees by Ethnic Group (U.S.)

American Indian/Alaskan	<0.1%	<0.1%	<0.1%	0.1%	0.2%
Asian	5%	6%	6%	6%	6%
Black or African American	3%	3%	2%	2%	2%
Hispanic/Latino	6%	7%	7%	7%	8%
Native Hawaiian or Pacific Islander	<0.1%	0.2%	0.1%	0.2%	0.2%
Two or More Races	1%	1%	1%	1%	1%
White	85%	84%	84%	83%	83%

EMPLOYEE HEALTH AND SAFETY

Incidence Rates¹⁷ (per 200,000 hours worked)

Recordable Injuries and Illness	1.08	0.58	0.84	1.00	1.11
Lost Time Injuries and Illness	0.38	0.16	0.26	0.54	0.82
Lost Work Days	8.65	2.23	1.95	5.57	8.14
Work-Related Fatalities	0	0	0	0	0



Incidence Rates by Region *(per 200,000 hours worked)*

AMERICAS

Recordable Injuries and Illness	1.30	0.86	1.15	1.11	1.98
Lost Time Injuries and Illness	0.48	0.14	0.40	0.32	1.50
Lost Work Days	13.91	1.07	3.20	3.53	17.13

EUROPE

Recordable Injuries and Illness	1.39	1.51	0.76	1.44	0.49
Lost Time Injuries and Illness	0.56	0.34	0.09	1.36	0.30
Lost Work Days	6.39	7.74	0.26	14.53	0.57

ASIA PACIFIC

Recordable Injuries and Illness	0.11	0	0	0.19	0.17
Lost Time Injuries and Illness	0.11	0	0	0.19	0.17
Lost Work Days	0.63	0	0	0.96	1.12

⁹ All reported employee data, excluding employee health and safety data, excludes employees at Boulder Media and BackFlip Studios.

¹⁰ Age data is not self-reported for Japan employees and is therefore not reflected in the breakdown by age.

¹¹ 2013 excludes Dubai, Japan and Korea.

¹² To be consistent with the other voluntary turnover data we report, we are reporting female voluntary turnover by rate (versus as a percentage). Due to a change in Hasbro's HR reporting systems, female voluntary turnover data by rate is not available prior to 2016.

¹³ Includes a one-time Voluntary Early Retirement Program.

¹⁴ 2013 Voluntary Early Retirement Program concluded in 2014.

¹⁵ This category includes certain groups of employees covered by collective bargaining agreements or works councils in Canada, France, Germany, Mexico and Spain.

¹⁶ Leaders/Managers are defined as director level and above.

¹⁷ Hasbro reports injury rates, lost days, absenteeism and fatality information by region; however, Hasbro does not track incidence rates information by gender.



Community

	2013	2014	2015	2016	2017
COMMUNITY					
Employee Volunteer Hours	26,348	42,627	52,230	67,245	75,051
Total Philanthropic Support (\$ millions)					
Financial Support ¹⁸	4.7	4.7	4.4	4.9	6.6
Product Donations (estimated retail value)	9.8	9.2	9.7	9.5	15.9
Total Philanthropic Support¹⁹	14.5	13.9	14.1	14.4	22.5
Children Impacted (\$ millions)	3.5	3.2	3.4	3.8	4.7

¹⁸ Total financial support represents the combined total of charitable company sponsorships and cash grants made during the fiscal year. The company's grant making is done through the Hasbro Children's Fund, including all matching gift grants.

¹⁹ Total philanthropic support represents both financial contributions and the estimated retail value of product donations.

