





Climate and Nature Transition Plan

August 2025



Table of Contents

Introduction	4
Leveraging Guidance	5
Overview	6
Our Approach	7
Strategic Ambitions	8
Transition Levers	9
 Reduce Impact	11
 Build Resiliency	14
 Communication and Education	17
 Cross-cutting Levers	18

Accountability	
ESG Governance	20
Limitations and Dependencies	22
Appendix	
Transition Plan Taskforce Index	24

Introduction

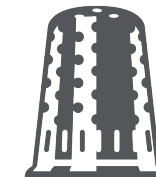
At Hasbro, we believe a healthier planet supports a better world for play. Our Climate and Nature Transition Plan is our roadmap for building a more sustainable future for our business, our communities, and the generations to come.

Climate and nature are inextricably linked. When we consider them together, we gain a more complete picture of the challenges and opportunities ahead. This integrated approach helps us understand not only how we impact the environment, but also how environmental changes are impacting our business.

Hasbro is a leading games, IP and toy company whose mission is to create joy and community through the magic of play. With over 164 years of expertise, Hasbro delivers groundbreaking play experiences and reaches over 500 million kids, families and fans around the world, through physical and digital games, video games, toys, licensed consumer products, location-based entertainment, film, TV and more.

Through its franchise-first approach, Hasbro unlocks value from both new and legacy IP, including MAGIC: THE GATHERING, DUNGEONS & DRAGONS, MONOPOLY, HASBRO GAMES, TRANSFORMERS, PLAY-DOH and PEPPA PIG, and NERF as well as premier partner brands. Powered by its portfolio of thousands of iconic marks and a diversified network of partners and subsidiary studios, Hasbro brings fans together wherever they are, from tabletop to screen.

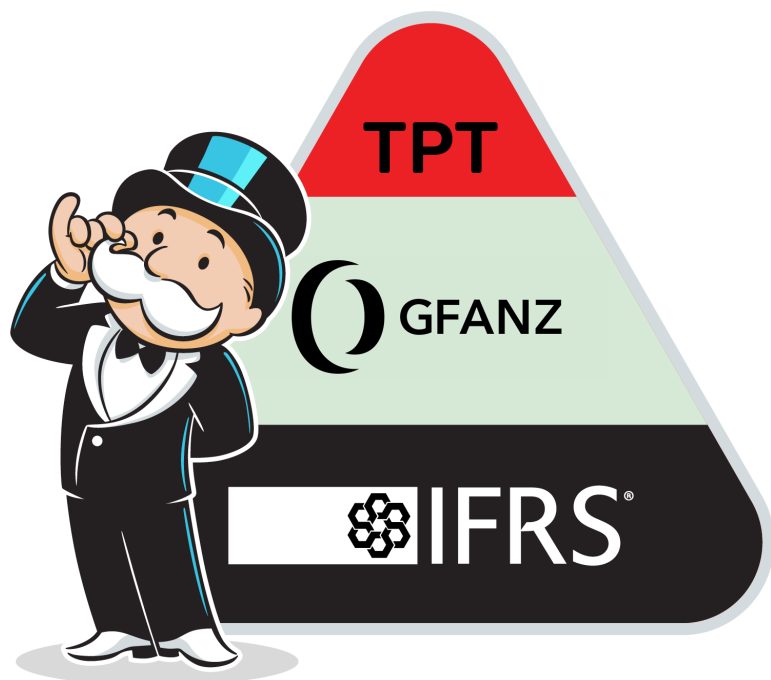
For more than a decade, Hasbro has been consistently recognized for its corporate citizenship, including being named one of the 100 Best Corporate Citizens by 3BL Media, a 2025 JUST Capital Industry Leader, one of the 50 Most Community-Minded Companies in the U.S. by the Civic 50, and a Brand that Matters by Fast Company. For more information, visit <https://corporate.hasbro.com> or @Hasbro on LinkedIn.



About this Plan

Addressing potential environmental impacts, dependencies, risks and opportunities is integral to supporting our company’s mission to create joy and community through the magic of play and to ensuring the long-term resilience of our brands, team, operations, and global supply chain. This Climate and Nature Transition Plan (“Transition Plan”) is a first step. It will help us take an iterative approach, and we expect it to evolve as we learn more and try new things.

Consolidating nature and climate is best practice per leading organizations such as the Task Force on Nature-Related Financial Disclosures (TNFD). This Transition Plan was built with reference to the Transition Plan Taskforce (TPT) which is now overseen by International Financial Reporting Standards (IFRS) Foundation. The TPT leverages the same components and structure as the Glasgow Financial Alliance for Net Zero (GFANZ). There are some elements of crossover between the TPT and transition plan requirements in the pre-Omnibus drafts of the Corporate Sustainability Reporting Directive (CSRD).






Purpose

- **Strategy:** Our Transition Plan is our roadmap to reduce environmental impact and build greater resilience across the business. This directly supports the [Planet Pillar of our Impact Strategy](#) and corporate-wide [Playing to Win](#) strategy. This Transition Plan outlines how and why we communicate our activities, ensuring alignment with internal and external partners. While the Sustainability team leads this work, we recognize that its success depends on broader collaboration. A key element of our strategy is evaluating where we can take direct action, where we can exert influence and where our direct control is more limited due to our partnership model.
- **Internal Monitoring and Planning:** Sustainability goals often extend over long time horizons (10 to 20 years) whereas corporate planning typically operates on shorter cycles, such as quarterly or annually. This disconnect can create challenges when trying to embed long-term ambitions within near-term decision-making. Our Transition Plan addresses this tension by translating long-term sustainability targets into interim milestones that align with operational planning rhythms. Doing so helps bridge priorities and build the case for resourcing sustainability as part of business-as-usual.
- **Compliance:** A growing number of regulatory frameworks now mandate climate transition planning, including CSRD and IFRS. Our Transition Plan helps ensure we stay ahead of these evolving expectations by documenting our strategic approach, progress and risk mitigation measures. As sustainability-related regulations continue to evolve, this plan serves as a foundation for structured disclosure.
- **Transparency and Accountability:** This Transition Plan reinforces our commitment to transparency and accountability (more on this later!). By clearly articulating our goals, timelines and progress, we hold ourselves responsible for delivering against the standards we set. When we encounter obstacles or fall short, the Transition Plan also provides a framework to explain those challenges, demonstrate adaptive thinking and reset expectations in a credible and constructive way.
- **Learning and Guidance:** At a time when integrated climate and nature planning is still emerging as a practice, this Transition Plan offers a model for bringing the two together cohesively. We believe our approach can offer useful insights for other organizations navigating similar complexities. As we continue to evolve this work, we aim to contribute to broader industry learning while continuously refining our own path forward.

Overview

Our Transition Plan encompasses three objectives: reduce negative environmental impact, build resiliency towards climate risks and communicate transparently for education and alignment. These three objectives directly support the [Planet Pillar of our Impact Strategy](#). Together, they leverage the strengths of our business to make meaningful change while simultaneously building the necessary capabilities to address risk. Within each objective sits [transition levers](#), which are the actions we will take to meet each objective.

				
	<h2>REDUCE IMPACT</h2> <p>Resource Efficiency</p> <p>Materials</p> <p>Electrification</p> <p>Data and Methodology</p> <p>SEE MORE PAGE 11</p>	<h2>BUILD RESILIENCY</h2> <p>Sourcing</p> <p>Consumer Insights</p> <p>Site Monitoring</p> <p>Compliance</p> <p>SEE MORE PAGE 14</p>	<h2>COMMUNICATION & EDUCATION</h2> <p>Reporting</p> <p>Internal Education</p> <p>Storytelling</p> <p>SEE MORE PAGE 17</p>	

Reducing environmental impacts include activities that are expected to decrease our Greenhouse Gas (GHG) emissions, energy and water use, waste and raw materials to help lessen our footprint. A continued focus on data and methodology enhancement are foundational to setting our direction. We love world building here at Hasbro, and think this world that we live in is a pretty special one.

Building resiliency supports how Hasbro is responding to physical and transitional climate risks. Understanding physical risks helps prevent disruptions and protect our assets, while navigating transitional risks including complex regulations and shifting consumer expectations is key to staying competitive and compliant.

Communication and education is centered on the recognition that Hasbro has a powerful platform due to its 164-year history, beloved brands and global footprint. We can use our platform to share how we are thinking about climate and nature. We hope this helps align the partners that we work with and educate various audiences.

Our Approach

Understanding our business strategy and value chain directly impacts how we think about consolidating climate and nature into one cohesive plan.

Our Thinking Behind Climate and Nature

Similar to most other companies, our knowledge on climate-specific impacts is currently more advanced than our understanding of nature-related impacts. While we are finding synergies between climate and nature strategies, there are times when nuances present themselves based on the topic at hand, business segment maturity and value chain location. At Hasbro, we are continuously challenging, growing and reworking these concepts. For now, here is an example for our two key segments, Consumer Products and Digital Gaming:

- Within Consumer Products, plastic is prevalent in most of our toys and represents a key opportunity for GHG emissions reductions, supporting climate goals. In contrast, paper plays a more prominent role in our packaging and Tabletop Gaming business. While switching to recycled paper can help mitigate our impact on nature through reduced deforestation and biodiversity loss, it contributes less significantly to GHG emissions reductions.
- While there is still much to learn about the overall impacts of digital gaming, we do know that Hasbro's sphere of influence is limited. For example, Hasbro does not own or operate data towers or web servers, which limits our ability to implement direct interventions like recycled water systems for cooling. However, by working with partners and leveraging data insights, Hasbro can integrate software efficiencies to reduce energy. From a licensor standpoint, Hasbro has less control over energy usage but can still play an influential role in energy reduction initiatives.

We are focused on maximizing our impact where we have operational control and using our influence strategically across the value chain. Across all segments, our goals and strategies focus on improving data accuracy and refining our methodologies. These enhancements are essential to effectively monitor progress and ensure we are advancing our climate and nature ambitions in a measurable and meaningful way.

Business Strategy and Value Chain

Business Strategy: In February 2025 Hasbro announced its new strategy, Playing to Win. At the heart of Playing to Win is Hasbro's mission to create joy and community through the magic of play. Through play-fueled engagement and partner-scaled co-investment, Hasbro will seek to expand its reach from over 500 million kids, families, and fans today to over 750 million by 2027, about 1 in 7 people globally! Playing to Win leverages Hasbro's key strengths: play and partners.

- Play is centered on our brand portfolio, a library of thousands spanning across ages, geographies and play patterns. Play experiences are built through Consumer Products (toys or products that Hasbro develops or licenses), Tabletop Gaming, Digital Gaming (in-house development and licensing), and Entertainment.
- Partners help bring play to life, including manufacturing, licensing, retail, web services and more. Through partners, Hasbro has scaled to become the third largest entertainment licensor on the planet and the biggest in digital games, by far the fastest growing entertainment category of the last decade.

Impact Strategy: This Transition Plan directly supports the [Planet Pillar of our Impact strategy](#), both of which directly support, and are informed by, Playing to Win. As an example, our Consumer Products segment is more mature based on our tenure in the space, while our Digital Gaming segment is fairly new and quickly growing. Both segments are critical to the business but operate quite differently, thus requiring different types of initiatives to meet our strategic sustainability ambitions.

Value Chain: Hasbro has a diverse footprint related to location type and geography. Our physical value chain includes owned and operated (O&O) facilities (which include offices and distribution centers), third party logistic partners (3PLs) and factories (which Hasbro does not own nor operate). While we do not own physical retail locations, we do operate some direct-to-consumer platforms, such as Hasbro Pulse, Magic! The Gathering: Arena and D&D Beyond.

Mapping our Plan to Our Value Chain

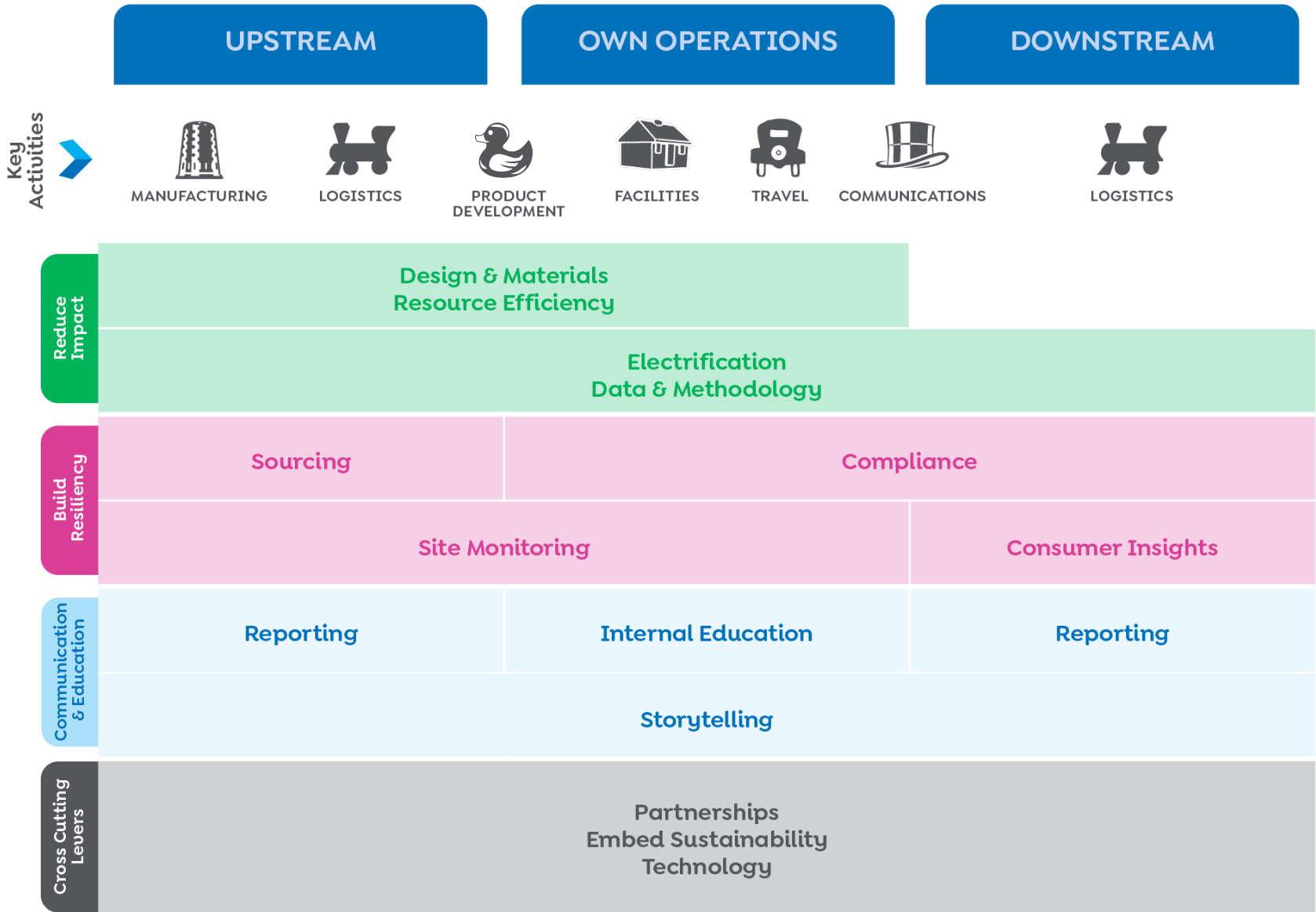
We layered together TPT guidance, our current climate and nature knowledge and our business strategy to frame our Transition Plan. Then we mapped out what we want to accomplish, where it’s most relevant and how we will deliver.

Key activities: To start, we’re focusing on a number of business activities that are critical to delivering the three objectives of our Plan — Reduce Impact, Build Resiliency and Communication and Education.

Objectives and Transition Levers: Each of the three objectives, or strategic ambitions, spans across our operations.

Within each objective there are multiple transition levers that occur, or will occur, to achieve the objective. Transition levers often occur at multiple areas within the value chain.

While there are some transition levers that support a specific objective, we’ve identified three cross-cutting levers that span our value chain, business functions, and all objective areas including Partnerships, Embed Sustainability, and Technology.



Strategic Ambitions

At Hasbro, our strategic ambition is to accelerate positive impact by integrating climate and nature considerations across our business operations, partnerships and communication. We are committed to science-based emissions reduction, environmental stewardship, and building long-term resilience that enables us to grow sustainably in a rapidly changing world. As storytellers, we harness the power of communication and education to share our progress, foster collaboration, and inspire broader action toward a thriving, low-carbon and nature-friendly future.

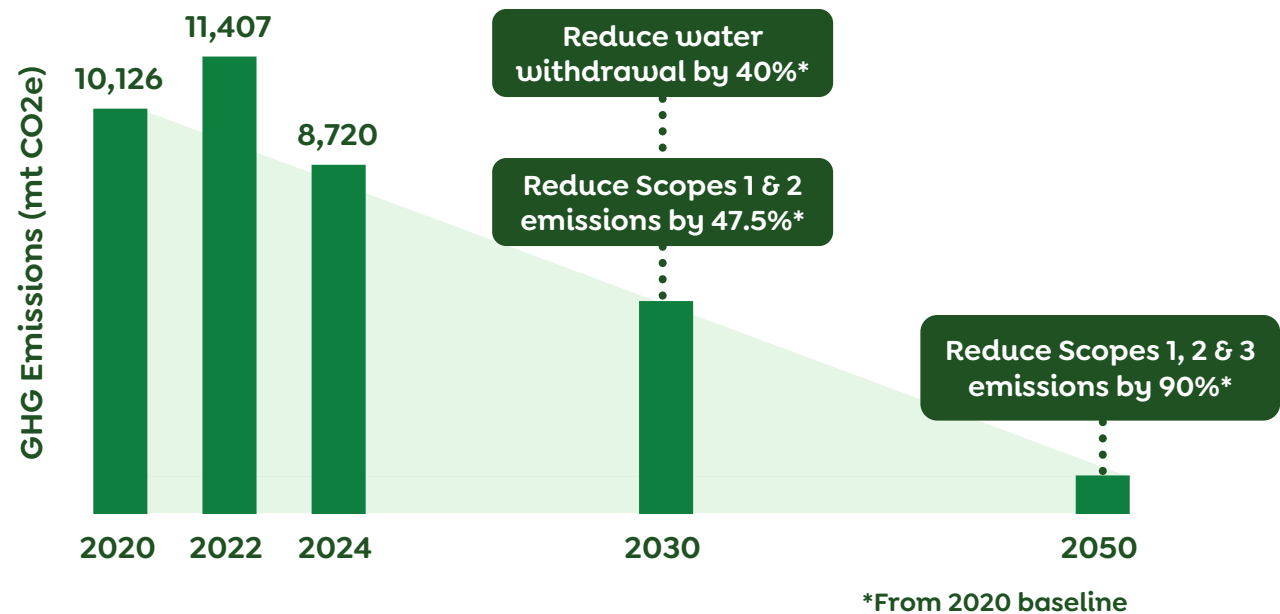
Reduce Impact

In 2022 Hasbro set Science-Based Targets through the Science-Based Targets initiative (SBTi). While Hasbro is currently [evaluating its resubmission](#) due to a rebaseline after a business divestiture and pending updated SBTi target guidance, we remain committed to meeting our Scope 1, 2 and 3 targets. Hasbro has a long-term target to reduce Scope 1, 2, and 3 GHG emissions 90% by 2050 from a 2020 base year. Our current short and medium-term climate and nature targets are outlined below by value chain location:

Owned and Operated (O&O) Facilities: O&O facilities include what happens within the facilities that Hasbro has operational control. While O&O facilities are not significant parts of our GHG footprint, they are actionable and play an important role in encouraging a more sustainable corporate culture. Additionally, in 2023 we focused on learning more about our [impact on nature](#), which included a site-level screening, TNFD LEAP Gap Assessment and Biodiversity Footprint Assessment. This analysis concluded that our O&O facilities had a minimal impact on biodiversity due to their locations in cities. We've developed the following O&O goals and are currently developing additional targets to incorporate nature-related impacts:

- Reduce Scope 1 and Scope 2 emissions by 47.5% by 2030 from a 2020 base year¹.
- Reduce water withdrawal in O&O facilities by 40% by 2030 from a 2020 base year.

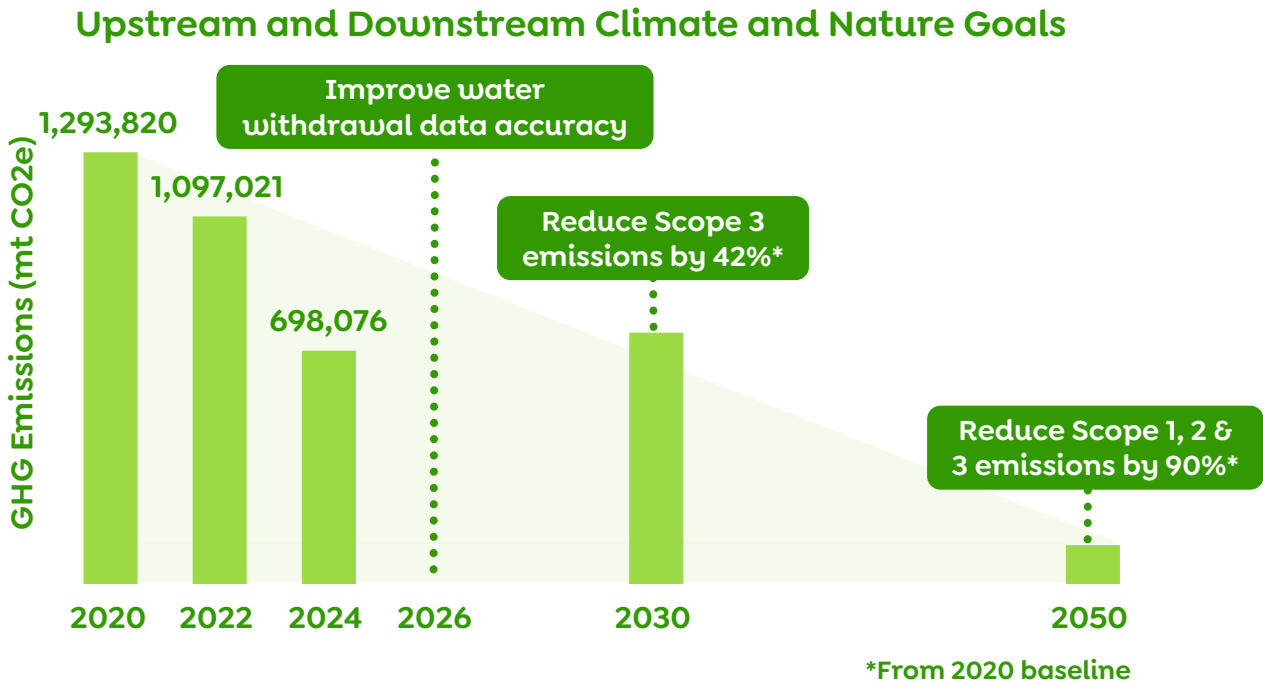
Owned and Operated Climate and Nature Targets



¹ Over the next year, Hasbro is quantifying the specific estimated GHG reductions per transition lever

Upstream and Downstream: Our upstream and downstream key areas include activities such as manufacturing and logistics. As such, majority of our GHG emissions and nature-related impacts occur upstream and downstream. In 2024 we learned more about our nature-related impacts via a Biodiversity Footprint Assessment, which concluded that most of our nature-related impacts are a result of materials usage (specifically plastic, paper, wood and flour). These materials contribute to pressure including climate change, land-use change, pollution and resource exploitation. We are developing specific targets based on this analysis. Additionally, one area we are looking to learn more about is our water usage during manufacturing.

- Reduce Scope 3 GHG emissions by 42% by 2030 from a 2020 base year².
- Improve water withdrawal data accuracy from Tier 1 factories by 2026 from a 2023 base year.



² Over the next year, Hasbro is quantifying the specific estimated GHG reductions per transition lever

Build Resiliency

Building resiliency means preparing our business to thrive in a changing world. As we work toward our company’s goal of reaching 1 in 7 people globally by 2027, we are leaning on our strong legacy and global presence to drive sustainable growth. An integral part of this is understanding and addressing the climate and nature-related risks and opportunities that could impact our operations, supply chain and communities.

Our goal is to embed a climate and nature into our operations, making it as business-as-usual mindset across the company. This approach helps position Hasbro to grow responsibly, adapt with agility and deliver long-term value in a low-carbon future.

Communication and Education

As a company of storytellers, communication and education are central to how we share our journey, align with partners and inspire action across our industry and communities. Transparent, engaging communication can bring others along as we work toward a more sustainable future. Whether it is through storytelling, reporting, or direct collaboration, we aim to deepen understanding of climate and nature challenges, highlight progress and spark innovation.

Transition Levers

Transition levers are the actions and mechanisms that we will employ to help us reach our climate and nature goals. There are specific transition levers within each objective. All objectives are supported by three cross-cutting levers: Embed Sustainability, Partnerships, and Technology.

Transition levers are the “how” behind the “what”. As we developed these transition levers we thought a lot about where we are today, what our goals are and what it will take to meet our objectives. Knowing this is phase 1 of our Transition Plan, we recognize that these transition levers will likely evolve as we continue to learn, iterate and grow.

Many of these transition levers are already being practiced specifically resource efficiency, data and methodology, site monitoring, compliance, reporting, embedding sustainability and technology. Others are planned to be implemented in the short and medium-term.





Reduce Impact

Reduce Impact is centered on systematically minimizing our environmental footprint across our value chain, including product design and materials, logistics, manufacturing and our own operations. This objective reflects our commitment to reducing GHG emissions, optimizing resource use and supporting nature-positive practices. As we learn more, we recognize these transition levers might change over the medium-term.

Business Activity		Transition Levers	KPIs
Supply Chain			
Manufacturing: Emissions & Energy	We believe our greatest potential for impact lies with our Tier 1 factory partners, given their proximity to our products and the prevalence of their emissions within our GHG inventory, and our logistics.	Resource efficiency; electrification: In 2025 we segmented our suppliers to better understand their emissions profiles, size and energy usage. In partnership with our Ethical Sourcing team, we analyzed our current supplier base and identified factories based on their total Scope 1 GHG emissions, Scope 2 GHG emissions and other factors to explore how we can partner to reduce our impact. Using these insights, we plan to launch first-class operations and maintenance programs, including newer technologies such as modernized tooling. Data and methodology: Using the insights from above, we have developed a GHG emissions training that all suppliers will receive in 2025. We plan to continue to refine our data management processes in the future.	<ul style="list-style-type: none">• Scope 3 Category 1 GHG emissions
Manufacturing: Water and Waste		Data and methodology: We have more to learn about how our manufacturing processes relate to water use. Historically our operations have not been water-intensive. We are working to improve data accuracy and deepen engagement with our Tier 1 factories. In 2025, we set a goal to improve water withdrawal data accuracy by 2026 using a 2023 baseline. Similarly, we see opportunities to better measure and understand the waste streams linked to our products. At this stage, we believe the most impactful action is to visit factories for direct insight into their environmental practices. Resource efficiency: While actions currently are not being taken regarding resource efficiency, we foresee this being a critical transition lever in the future.	<ul style="list-style-type: none">• Water withdrawal data from factories
Digital Games		Data and methodology: As our digital gaming footprint grows, we recognize the need to better understand its emissions impact. Current data and methodologies are still evolving. Resource efficiency: While actions currently are not being taken regarding resource efficiency, we foresee this being a critical transition lever in the future, specifically related to energy.	<ul style="list-style-type: none">• Hasbro is developing KPIs related to digital gaming
Logistics		Data and methodology: We recognize we need a deeper understanding of our logistics data. We currently leverage a spend-based method for our Category 4 (Upstream Transportation) GHG emissions and are pursuing new ways to more accurately understand our logistics patterns and related environmental impacts. Resource efficiency; electrification: We anticipate needing to improve container efficiency, shift shipments from air to water where possible, and increase the percentage of EV vehicles in our logistics network.	<ul style="list-style-type: none">• Ratio of air to water shipping, container efficiency• Average container fill rate• Scope 3 Categories 4 and 9 (Upstream and Downstream Transportation)• Percent of EVs in logistics



Business Activity		Transition Levers	KPIs
Products and Packaging			
Products	Our products and packaging are designed with safety and quality in mind, and there is an ongoing effort to incorporate more recycled materials. Developing long-lasting toys that can be shared between families and friends is part of our company history, and we are continually evaluating ways to extend the useful life and provide alternative waste options when play is no longer feasible.	Design and materials; Resource efficiency: Products include the materials we use and the toy or game lifecycle. Our products are primarily made of plastic, paper, wood, flour and fabric. While we prioritize making products that comply with safety and quality regulations for our consumers, we recognize there is room for growth in how we use recycled materials. Looking downstream, Hasbro has a toy recycling program for consumers, and we are exploring how to develop a more cohesive circular strategy. Data and methodology: We are currently working on creating a materials database that will help us be more agile and accurate with our analysis.	<ul style="list-style-type: none">• Percent of recycled material in products• Number of toys and games diverted from landfill
Packaging		Design and materials: Based on available data, a substantial majority (~97%) of our packaging is paper. We are developing packaging targets to standardize the amount of recycle and/or certified paper in our packaging across Hasbro product lines to reduce our overall impact and ensure compliance with global expectations and standards. Data and methodology: We are currently working on identifying solutions to obtain more accurate and specific packaging data.	<ul style="list-style-type: none">• Recycled content and recyclability of packaging• Scope 3 Category 1 GHG emissions• Percentage of recycled and/or certified paper in packaging.
Own Operations (O&O)			
O&O Facilities: Emissions	O&O includes what happens within Hasbro’s direct operations, including our O&O facilities, employee commuting and business travel¹. While these areas, particularly travel, are not significant parts of our GHG footprint, they can play an important role in encouraging a more sustainable corporate culture.	Resource efficiency: Over the past few years, Hasbro has seen the environmental and financial benefits of being more mindful of our global footprint. Now, we are pursuing a range of initiatives to reduce emissions across top emitting O&O facilities. Electrification: In 2025 we started to identify where we can implement green leases and are also seeking green building certifications such as LEED where feasible.	<ul style="list-style-type: none">• Scope 1 and Scope 2 GHG emissions• Percentage of LEED-certified buildings and green leases
O&O Facilities: Water		Resource efficiency: Water usage and waste within our O&O locations is minimal, mostly related to sanitation. While water withdrawal was not evaluated as a material issue as part of our 2024 Double Materiality Assessment, we acknowledge that our business, our partners and our people play a role in the collective effort needed to address water impacts across the globe. In 2024 Hasbro set a goal to reduce water withdrawal in O&O facilities by 40% by 2030 from a 2020 base year. We plan on meeting this goal through continued footprint consolidation and implementation of green leases.	<ul style="list-style-type: none">• Total Water Withdrawn (M)• Percentage of green leases
Employee Travel		Resource efficiency; data and methodology: This area incorporates travel employees take to do work on behalf of Hasbro, whether that be a daily commute, trip in a company vehicle or other business travel. Our near-term focus is on developing a sustainable business travel policy, including greater use of rail travel where feasible. Electrification: Longer term, we are exploring investments in sustainable aviation fuel (SAF) and electrification of our corporate fleet.	<ul style="list-style-type: none">• Scope 2 emissions (indirect energy use)• Percentage of EVs in corporate fleet

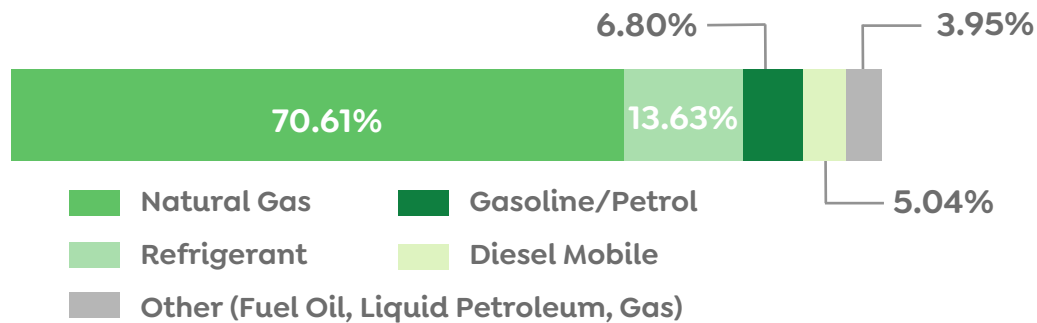
¹ Employee commuting and business travel are included in Hasbro’s [Scope 3 GHG inventory](#) and SBTi targets, per guidance from the GHG Protocol and SBTi.



Highlight on O&O GHG Emissions Reductions

Although our O&O facilities represent a smaller share of our overall GHG footprint, they represent the area where we have the most control, offering a valuable opportunity to lead by example. We’ve made progress through company-wide efficiency measures. In 2025 we started planning out how we can accelerate our impact through smarter resource use and the shift toward electrification.

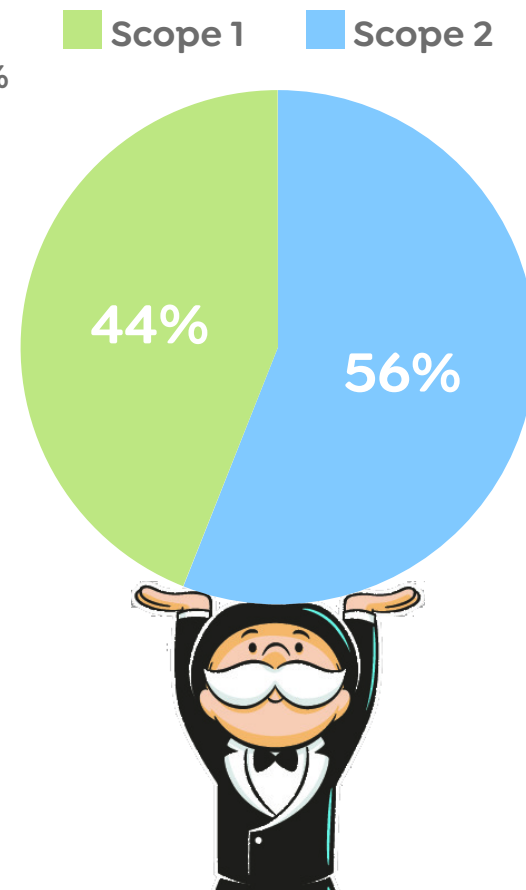
2024 Scope 1 GHG Emissions By Source



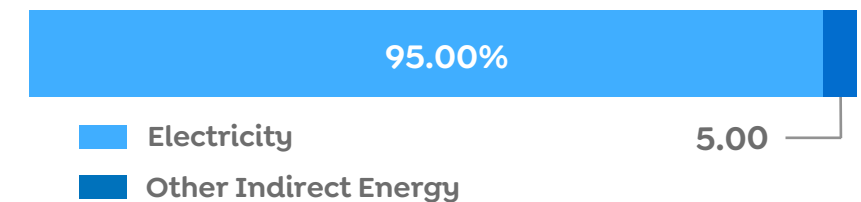
What we did: We identified the facilities with the highest Scope 1 GHG emissions. We looked at the sources of these emissions and lease terms to identify where we can implement Green Lease Agreements and a shift to electrification most effectively.

What we are doing: Now, we’re actively exploring how we can integrate green leases into our overall lease terms. Additionally, it is likely that some of our facilities are LEED certified. We plan on incorporating these questions into this years data collection process.

2024 Scope 1 and Scope 2 GHG Emissions Breakdown



2024 Scope 2 GHG Emissions By Source



What we did: We followed the same process as our Scope 1 evaluation and identified that some of our O&O facilities have shifted to electrification. As more sites transition from fossil fuels like natural gas to electricity, we recognize the importance of having a strong strategy to address our Scope 2 emissions.

What we are doing: Along with our plan to implement green lease terms, we are exploring Power Purchase Agreements (PPAs) as a key tool to expand access to renewable energy, reduce Scope 2 GHG emissions, and provide long-term energy price stability.









Build Resiliency

Our approach is centered on understanding and responding to risks from environmental challenges. In 2022 we assessed climate risks under two future scenarios: a high-carbon world with more severe physical impacts and a low-carbon world focused on transition risks. The high-carbon scenario (2.3°C warming by 2050) used models and data from the IPCC, IEA, and EIA, while the low-carbon scenario (just over 1°C by 2050) drew from sources including the IEA's Net Zero pathway and EIA projections. For more details, see [Notes on Forward Looking Statements](#) and our [IFRS S2/TCFD](#) report.

Physical Risks

Physical climate risks can disrupt our operations and supply chain, causing delays or even long-term issues at certain locations. From a value chain perspective, as Hasbro does not own factories or retail stores, the level and type of risk can vary by site and shift over time.

Location	Risk Description	Transition Levers	
Owned and Operated	Due to the diverse geographical footprint, Hasbro's O&O facilities face a number of acute and chronic physical risks. The top acute risks to our O&O locations include wildfires, wind-related events (e.g. cyclones and tornadoes), and heavy precipitation. The top chronic risks include heat stress and subsidence.	<p>Time Horizon: Short</p> <p>Potential Impact</p>  <p>Likelihood</p> 	<p>Site monitoring: Monitor climate risks on a monthly basis.</p> <p>Embed sustainability: Incorporate climate risks into O&O footprint expansion (see cross-cutting levers).</p> <p>Technology: Synthesize climate risks to inform planning and decision making (see cross-cutting levers).</p>
Manufacturing	While Hasbro has manufacturers globally, our manufacturing partners are more concentrated in South America and Asia. The top acute risks to our manufacturing locations, particularly in these regions, include wind-related events (e.g. cyclones and tornadoes) and heavy precipitation which could impact inventory and insurance costs. The top chronic risks include heat stress and water stress.	<p>Time Horizon: Short</p> <p>Potential Impact</p>  <p>Likelihood</p> 	<p>Site monitoring: Monitor climate risks on an ongoing basis and continue to diversify manufacturing footprint.</p> <p>Embed sustainability: Perform annual reviews of inventory asset values and potential business interruption loss to inform insurance policies.</p> <p>Partnerships: Continue to partner with Tier 1 factories on Ethical Sourcing programs, increasing engagement on adapting to climate risks.</p>
Logistics	The top acute risks within our logistics processes include wind-related events (e.g. cyclones and tornadoes) and heavy precipitation which could lead to business interruption loss and increased insurance costs during transportation. The top chronic risks include heat stress, water stress and rising temperatures, which could impact inventory.	<p>Time Horizon: Short</p> <p>Potential Impact</p>  <p>Likelihood</p> 	<p>Partnerships: Continue to partner with Tier 1 factories and logistics on routinely evaluating products for transportation-related defects (e.g. mold/mildew).</p>



Transition Risks




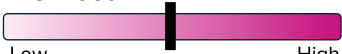




Transition risks come from the changes needed to move toward a low-carbon economy, incorporating new regulations, shifting consumer expectations, and evolving technologies. For Hasbro, managing these risks means staying ahead through smart planning, regulatory tracking and investing in sustainable innovation.

Type	Risk Description	Transition Levers	
Policy and Legal	Hasbro faces a number of compliance requirements related to sustainability across the globe. Cost of non-compliance can include fines and reputational risks. Cost of compliance can include an increase investment in teams and resources. Hasbro is continually evaluating its approach to balance preparation and response to ensure that we are using our resources effectively and preparing the appropriate resources to meet regulatory demands.	<p>Time Horizon: Short</p> <p>Potential Impact</p> <p>Low High</p> <p>Likelihood</p> <p>Low High</p>	<p>Compliance: Maintain sustainability regulation process via regulation monitoring, implementation phases with clear ownership, and monthly communication to internal stakeholders across various teams (e.g. sales, product development, etc.) to provide updates on relevant regulations.</p> <p>Embed sustainability: Monitor regulations in ESG Steering Committee meetings and share with the ELT and Board of Directors when salient (see ESG Governance).</p> <p>Communication and Education: Externally report sustainability activities in line with regulations.</p>
Reputational	As expectations around corporate climate responsibility grow, Hasbro faces reputational risks tied to how well it delivers on its sustainability commitments and communicates progress. Falling short, whether through delays, lack of transparency, or misalignment with global standards, could lead to consumer distrust, investor scrutiny or negative press. This is especially important in consumer-focused industries like ours, where brand perception directly affects loyalty and sales. With rising attention on issues like plastic use, packaging waste and climate innovation, reputational risk is a key factor in both market success and regulatory preparedness.	<p>Time Horizon: Short</p> <p>Potential Impact</p> <p>Low High</p> <p>Likelihood</p> <p>Low High</p>	<p>Consumer Insights: Leverage consumer research from internal and external sources to continually learn more about how consumers perceive toy and game sustainability.</p> <p>Communication and Education: Continue to produce Impact Reports and 10K disclosures for transparency on sustainability and assist brands with sustainable product endeavors to support compliance requirements.</p> <p>Partnerships: Engage more with certified materials and pursue certifications to communicate product sustainability to consumers.</p>
Technology and R&D	Investments in technology and R&D will be critical to develop a resilient organization and transform operations to meet sustainability goals and sustainability demands from partners or regulations. This could include operational expenditures and capital expenditures to support specific needs to meet compliance and reduction goals (e.g. recycled materials, electric vehicles, SAF), support change management initiatives, or the adoption of new business model strategies (e.g. circular economy principles).	<p>Time Horizon: Medium</p> <p>Potential Impact</p> <p>Low High</p> <p>Likelihood</p> <p>Low High</p>	<p>Sourcing: By prioritizing sustainable and innovative materials in procurement, sourcing enables early adoption of technologies that reduce emissions and compliance risks.</p> <p>Partnerships: Strategic collaborations with suppliers, industry groups, and innovators encourage knowledge sharing, access to new technologies, and enabling scalable solutions like circular economy models or low-carbon logistics.</p> <p>Technology: Investing in transformative technologies reduces operational risk, meets regulatory demands, and enhances the resilience and adaptability of Hasbro's business model.</p>



Opportunities

Strategic climate action can boost resilience, drive innovation and create long-term value through sustainable products, efficiency and new market opportunities. Strong climate performance and transparency also help attract sustainability-focused investors and partners, supporting our long-term growth goals.

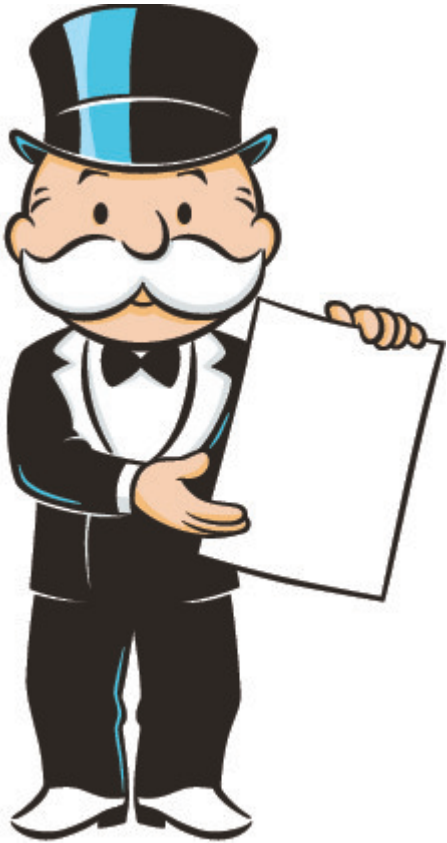
Type	Opportunity Description	Transition Levers	
Resilience	As physical climate risks intensify, there is a growing strategic advantage in proactively enhancing supply chain and operational resilience. By diversifying sourcing networks, investing in climate intelligence tools and optimizing transportation infrastructure, Hasbro can reduce exposure to disruptions while lowering emissions. These actions not only improve business continuity and cost efficiency but also align with investor expectations for climate-adaptive business models	<p>Time Horizon: Short</p> <p>Potential Impact</p>  <p>Likelihood</p> 	<p>Sourcing: Diversify Tier 1 supply chain across the globe with plans to expand sourcing capabilities to incorporate geographically diverse and climate-resilient suppliers.</p> <p>Embed sustainability: Incorporate climate risks into O&O footprint expansion and perform annual reviews of inventory asset values and potential business interruption loss to inform insurance policies.</p> <p>Partnerships: Continue to partner with Tier 1 factories on Ethical Sourcing programs, increasing engagement on adapting to climate risks</p>
Efficiency	Improving resource efficiency, particularly in production, logistics and energy use, presents a key lever for emissions reduction and cost savings. As Hasbro has experienced through the Hasbro Transformation initiatives, operational efficiency can unlock near- and long-term financial benefits, such as cost savings.	<p>Time Horizon: Short</p> <p>Potential Impact</p>  <p>Likelihood</p> 	<p>Embed Sustainability: From a financial planning perspective, in 2025 Hasbro began tying its sustainability budget to the objectives outlined in this Climate and Nature Transition Plan as a first step to informing broader organizational financial planning. Additionally, as more teams learn about sustainability, we can be more agile with decision making and capitalize on overlaps between financial efficiency and environmental efficiency.</p> <p>Technology: Our data quality continues to improve in tandem with our use of pre-existing and new software, allowing us to make better decisions faster.</p>
Products and Services	Demand for sustainable products is rising and it is important to meet these needs in a way that feels authentic to Hasbro's brands and consumer preferences, which vary based on consumer segmentation. Staying in tune with how consumers view sustainability in areas like materials, circularity and even energy use in digital games can help differentiate the brand and boost visibility for our products and services.	<p>Time Horizon: Medium</p> <p>Potential Impact</p>  <p>Likelihood</p> 	<p>Consumer Insights: Leverage consumer research from internal and external sources to continually learn more about how consumers perceive toy and game sustainability.</p> <p>Partnerships: Engage more with certified materials and pursue certifications to communicate product sustainability to consumers.</p>
Markets	As climate-related financial disclosures become more standardized, investors are paying closer attention to how prepared companies are for a low-carbon future. Showing real progress on climate resilience and sustainability helps Hasbro stand out to sustainability-focused investors and supports long-term access to capital. That said, the expectations and regulations in this space are constantly evolving worldwide.	<p>Time Horizon: Long</p> <p>Potential Impact</p>  <p>Likelihood</p> 	<p>Communication and Education - Reporting: continue to produce Impact Reports, 10K disclosures, and report to ESG Rater and Rankers for transparency on sustainability. When relevant, the VP of ESG/Sustainability engages with shareholders on sustainability topics.</p>



Communication and Education

Effective communication and education are foundational to the success of Hasbro’s Climate and Nature Transition Plan. These efforts not only build awareness and understanding, but also empower internal teams, partners, and consumers to actively engage in our sustainability journey. We believe that clear, relatable and frequent communication is essential to drive alignment, foster accountability and accelerate progress across our value chain.

Transition Lever	Description
Annual Reporting	Transparency is a cornerstone of our approach. We publish an annual comprehensive Impact Report that outlines our performance, progress, and challenges across key ESG areas. Our reports align with recognized frameworks such as the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), and ISSB to ensure consistency, comparability, and credibility in our disclosures. These reports serve as a tool for reflection, engagement, external benchmarking and help us meet our strategic ambitions . We see this Climate and Nature Transition Plan as a key component of strengthening these efforts.
Internal Education	Building internal capacity and shared ownership is a key priority. Not only will educating senior management and cross-functional teams on the importance of sustainability and their role in delivering on our goals will be crucial to success, but it is also critical that the Sustainability team continues to learn from our cross-functional partners. We educate senior management on climate and nature through our ESG Governance processes , and connect with related teams through regular meetings, data sharing, internal communications and internal events.
Storytelling	We use our platforms to communicate our sustainability story with clarity and purpose. This includes sharing updates on our goals, progress and industry participation with stakeholders across the value chain. Beyond transparency, we engage in industry forums, working groups, and partnerships to help shape collective solutions and elevate best practices across sectors. Additionally, we recognize the power of storytelling in making sustainability accessible and actionable. Whether it is explaining our use of recycled materials or highlighting employee-led sustainability initiatives, we aim to meet people where they are with content that is meaningful and relatable. By connecting our goals to human stories, we help foster a stronger sense of purpose and personal relevance.





Cross-Cutting Levers

Cross-cutting levers help accelerate progress across business functions and value chain activities. These enablers work in tandem to reduce emissions, build resilience, and drive more informed decision-making. Together, they provide the foundation for consistent action across our value chain.

Partnerships

Partnerships are a crucial enabler of Hasbro's transition strategy, closely leveraging our Playing to Win strategy and allowing us to broaden our reach and amplify our impact through collaboration. Through engagement with Tier 1 suppliers and licensees, we plan to share best practices and promote sustainable behaviors across our direct value chain. Beyond our immediate partners, we participate in global industry associations to support collective progress, particularly in the toy and digital gaming industries, where shared learning and innovation are vital. We also engage retailers, consumers, and governmental bodies to create shared accountability and influence systemic change. These collaborative efforts are foundational to advancing our climate and nature goals.

- **Business Partners:** Collaborate with licensees and customers to drive sustainability initiatives and meet strategic ambitions.
- **Industry Groups:** As a major player in a sector made up largely of small and medium-sized businesses, Hasbro supports industry initiatives through associations such as The Toy Association and others around the world. We see similar opportunities for collaboration in digital gaming, where the landscape is fast-moving and the sustainability impacts are still emerging. Currently, Hasbro is a member of the Entertainment Software Association (ESA) and Playing for the Planet.
- **Value Chain:** Segment suppliers to understand their size, emissions profile and energy use, and support them in setting and achieving sustainability targets.
- **Retailers and Consumers:** Work to provide products with more recycled materials and provide opportunities for consumers to engage in the circular economy by exploring resale, replacement parts and recycling programs.

Technology

Technology is a critical enabler of our transition by providing the tools and insights needed to drive efficiency and reduce environmental impact. From improving data quality to enabling smart operations, Hasbro is leveraging the tools at hand to support a lower-carbon, nature-friendly, more resilient future. We also recognize the importance of ensuring that technology itself is used responsibly, minimizing its own environmental footprint wherever possible. Our technology actions are based on the following principles:

- **Efficiency:** Leverage technology to streamline operations, improve productivity and unlock insights that support the development of this transition plan.
- **Responsible Use of AI:** Adopt a principled approach to technology adoption that considers its environmental and social implications, continually reflecting on how we are using AI and why.
- **Data Quality:** Strengthen systems and processes to enhance the availability, accuracy and actionability of sustainability-related data.

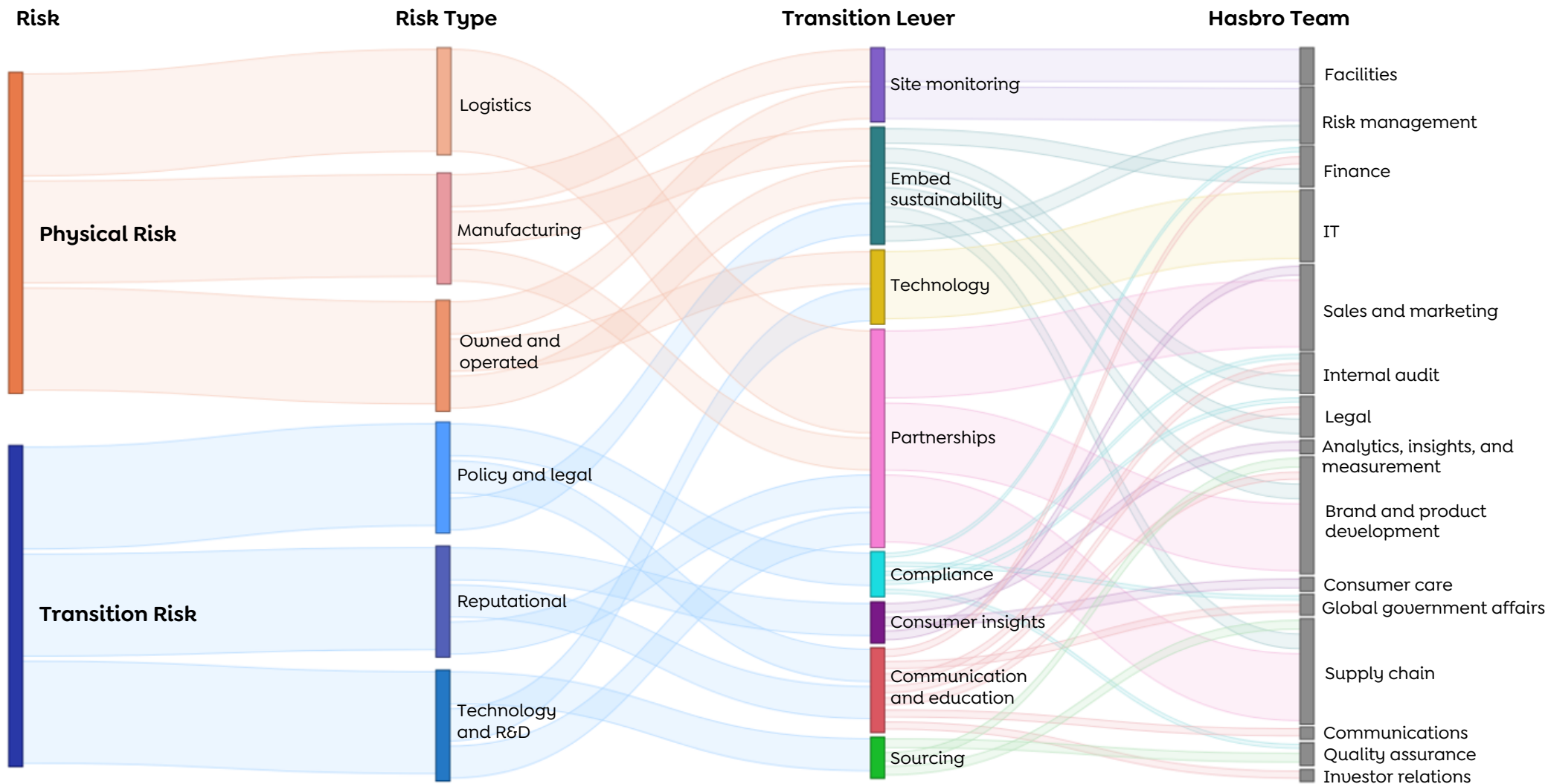


Embed Sustainability

Embedding sustainability into our business means making it a core component of how we plan, operate, and make decisions — essentially, how we can make sustainability business-as-usual. This involves integrating sustainability into risk management, governance and financial planning processes, and ensuring teams across Hasbro are empowered to take ownership. This closely overlaps with our **Communication and Education** objective, where a focus on educating leaders and teams about their role in the transition is re-emphasized. We recently mapped our **climate risks** to show how various teams are helping us reduce risks and optimize opportunities.

Embedding sustainability includes four key approaches:

1. **Risk Management:** Incorporate environmental and climate-related risks into Hasbro's enterprise risk framework, ensuring a structured and proactive approach to risk identification and mitigation.
2. **Governance:** Build on our existing governance practices to ensure sustainability has executive oversight, defined responsibilities, and integration into operations.
3. **Financial Planning:** Align sustainability goals with capital and operational expenditure planning, establishing clear processes for evaluating and funding decarbonization and resilience efforts.
4. **Compliance:** Track and adapt to emerging environmental regulations, ensuring we remain in full compliance and aligned with global expectations.





Accountability

Governance plays a critical role in guiding our transition strategy, ensuring accountability, transparency, and alignment with our sustainability goals. Our approach integrates oversight at the board and executive levels, with clear structures to operationalize our Climate and Nature Transition Plan across the business at various levels and departments. This framework helps embed climate and nature considerations into core decision-making, enabling long-term resilience and impact.

ESG Governance

Oversight

There is oversight of climate-related risks and opportunities at the Board level and Management level.

Board of Directors

ESG governance starts with our Board of Directors, with specific oversight by our Nominating, Governance and Social Responsibility Committee ("Governance Committee"). ESG topics and European Sustainability Reporting Standards ("ESRS") Impact, Risks and Opportunities ("IRO"), such as environmental sustainability and climate change, are regular agenda items at Governance Committee meetings. Meeting regularly, typically at least quarterly, throughout the year, the Governance Committee analyzes ESG issues and, when applicable, makes recommendations to the full Board. The Audit Committee assists the Board in risk oversight for the Company by reviewing and discussing with Management, Internal Audit, Legal and Compliance personnel, and when applicable, the Sustainability team. The Audit Committee is also responsible for overseeing U.S. Securities and Exchange Commission (SEC) and public disclosures in specific areas of Hasbro's business, including climate and sustainability.

Management

Executive Leadership Team

Our CEO and the Executive Leadership Team (ELT) regularly review our ESG performance, progress and opportunities. Our ELT, including our Chief Communications Officer who oversees environmental sustainability, and members of our global corporate sustainability team meet several times a year to ensure management oversight of the Company's ESG strategy, impact and

performance. This group sets the direction for our global ESG strategy and ensures the integration of ESG throughout the organization and supply chain.

ESG Steering Committee

The ESG Steering Committee, whose members include leaders from Legal, Global Government Affairs, Finance, Internal Audit and Sustainability, oversees and guides efforts in identifying and assessing sustainability and ESG impacts, risks and opportunities, in alignment with prominent ESG regulations. The ESG Steering Committee meets quarterly and sets the direction for and supports stakeholder engagement on matters related to ESG, including reviewing and validating the company's Double Materiality Assessment (DMA) processes and outcomes and providing feedback on the company's Climate and Nature Transition Plan.

The ESG Steering Committee provides guidance to the Sustainability/ESG team's strategy for assessing and managing the company's IROs that have the potential to impact the company's operational and financial performance over the short, medium and long-term. Given the cross-functional nature of the Committee, it is well-positioned to champion the integration of sustainability/ESG risk management and opportunity realization into strategic decision making across the business and drive the integration of climate risk considerations into business operations. Members of the ESG Steering Committee report to their respective members of the ELT and are responsible for escalating issues and decisions that require full ELT and/or Board advice in decision-making. This cross-functional senior leadership and executive leadership representation provides continuity and awareness regarding climate and environmental sustainability related matters.

Training and Education



Hasbro maintains an environmentally competent, informed and engaged Board and Management team by:

- **Communication:** Through our sustainability management and oversight processes outlined above, the company’s Chief Communications Officer and the Vice President, Sustainability, EHS and Corporate Citizenship provide ongoing and consistent updates to the Board of Directors and Management.
- **Education and Engagement:** When applicable, the ESG/Sustainability team educates and engage Management and Board on topics related to climate and environmental sustainability. For example, members of our Management team actively participate in our DMA as Subject Matter Experts (SMEs), providing key insights and feedback during the stakeholder interview phase of our DMA process. Setting our Science-Based Targets and the steps involved in initiating that work stream, communicating the value internally and externally and securing internal alignment on the targets is another example of how our Board and Management team engage in this work.
- **Experienced Leadership:** Hasbro issues a questionnaire for Directors to self-complete that asks their competency on a range of topics. Competency related to ESG topics is one of the topics covered on the questionnaire.

In addition, the ESG/Sustainability team facilitates both formal and informal internal working groups to educate VPs to then ladder up to our leadership team. Examples include:

- **Formal:** Sustainability Center of Excellence (SCOE): leaders from Sustainability, Global Government Affairs, Regulatory Affairs and Quality Assurance, Legal, Print Operations, and Product Engineering meet monthly to discuss cross-functional sustainability-related projects, regulations, challenges and opportunities.
- **Informal:** Ad hoc meetings with leaders from Internal Audit team to provide visibility into sustainability work streams, in particular those related to enterprise risk management, materiality, internal controls and external assurance.

Additionally, competencies on climate risks and opportunities are developed on an ongoing basis within two mechanisms/forums related to company strategy:

- **Enterprise Risk Assessment (ERA):** The ERA process is managed by the Internal Audit team and reviewed by Executive leadership Team. Top risks from the ERA are shared with the Board of Directors annually.
- **Double Materiality Assessment:** The DMA, managed by the Sustainability/ESG team, is conducted formally every three years and refreshed annually. Key members of Management participate in the DMA process and DMA findings and results are a standing agenda item for the ELT and Board to review and approve.

Limitations and Dependencies

As we continue to advance our Climate and Nature Transition Plan, it is essential to acknowledge the limitations and dependencies that shape how we measure progress and implement our strategy. These factors reflect both internal challenges and external influences that may impact our ability to fully achieve our goals as planned. Addressing these issues transparently is a key part of our commitment to credible and responsible sustainability management.

Data Quality and Availability: Improving data quality is a foundational priority across all areas of our transition plan. For climate, we are actively working to shift from spend-based and estimated emissions calculations toward activity-based methodologies, particularly for key Scope 3 categories critical to decarbonization (Categories 1, 4, and 6). This transition may result in increased reported emissions year-over-year, but we believe that an accurate view of our impact is essential to inform our long-term roadmap. On the nature side, widely used metrics such as Mean Species Abundance (MSA) are not currently feasible given technological and data constraints. As such, we are continually looking at alternative KPIs to meaningfully represent and measure our nature-related impacts.

External Standards: Several key Scope 3 categories are either underdeveloped or not fully captured by current GHG accounting standards, limiting our ability to report with accuracy and consistency. For example, Category 11 (Use of Sold Products) lacks clear guidance on digital gaming emissions, despite this being a fast-growing part of our business. Similarly, our licensing model, which spans apparel, food and beverage, and location-based entertainment, does not fit cleanly within Category 14 (Franchises) as outlined by the GHG Protocol. This creates a gap in standardized emissions accounting that we must navigate independently until clearer guidance emerges. Similarly, while there is emerging guidance on nature-based metrics, we are identifying alternatives to measure nature-based impacts for the time being.

Partner Dependency: Hasbro's business model relies heavily on collaboration across a broad network of partners. This creates inherent dependencies in achieving our transition goals.

- **Factories:** Our Tier 1 factories are instrumental in supporting sustainability initiatives, including energy efficiency improvements, pollution control, and access to recycled or certified materials. While Hasbro can help enable progress through investment and collaboration, factory adoption of these programs often depends on local infrastructure, grid mix and supplier capabilities.

- **Licensees:** As one of the top licensors globally, Hasbro's brand expressions rely on the sustainability performance of our partners/licensees across consumer products, food, entertainment, and more. This includes their ability to use recycled content and adopt low-impact processes, over which we have limited direct control.
- **Logistics Providers:** We work with a global network of logistics companies to transport products across our supply chain. As a shared customer among many, our ability to reduce logistics emissions is tied to the broader adoption of technologies like electric vehicles and route optimization tools by these partners.
- **Retailers:** Our retail partners vary widely in their sustainability practices. While some offer opportunities to align with more advanced programs, others may not prioritize products made with recycled or lower-impact materials, which can challenge the commercial viability of our sustainability-driven offerings.

External Technologies and Grid Decarbonization: Reducing the climate and nature impacts of our operations and value chain depends on the scalability and commercial availability of emerging technologies. This includes the development of viable recycled plastic alternatives, scalable renewable energy, and electrification of upstream and downstream logistics. Additionally, Hasbro's decarbonization activities are reliant on regional progress in the areas in which Hasbro operates. Until these solutions become more affordable and accessible at scale, progress may be incremental in some areas. Hasbro is evaluating how we can leverage partnerships to manage this dependency and incorporate this into our plan.

Digital Growth: Our digital gaming business is projected to grow significantly over the next five years. However, it remains difficult to accurately forecast the associated emissions, as data centers are becoming more energy and water intensive, particularly with the rise of artificial intelligence. As we scale this business, we will continue to evaluate and refine our estimates to capture a clearer picture of its environmental footprint. In 2025 Hasbro joined Playing for the Planet, an industry group which helps decarbonize the digital gaming industry.

Note on Forward-Looking Statements

For the purposes of this Transition Plan, Hasbro notes that any forward-looking estimates made at the time of this Report were based on data available at the time of publication. Forward-looking statements are subject to certain risks that could cause actual results to differ materially from Hasbro’s historical experience and current expectations or projections. A variety of factors could impact future estimates and actual results. Therefore, undue reliance should not be placed on forward-looking statements, which speak only as of the date on which they are made. We acknowledge that “substantive financial or strategic impact on our business” in this Report may differ from the SEC definition of materiality. Hasbro utilizes globally accepted frameworks including the GRI, SASB, and is on track to align with the ISSB and CSRD for future reporting.

Understanding the temporal nature of climate risks and opportunities enables Hasbro to more accurately anticipate and plan for disruptions. In order to effectively incorporate time horizon into our planning, Hasbro has defined the following time horizons based on business processes and recommendations from the CSRD:

- Short-term: 0-1 years.
- Medium-term: 1-5 years.
- Long-term: 5+ years.

Potential impact and potential likelihood were informed using Hasbro’s internal DMA criteria coupled with its ERA and are represented as “high”, “medium”, and “low” in this Transition Plan and in our IFRS S2 Report. Potential financial impacts and likelihoods represent Hasbro’s gross exposure to climate-related risks and opportunities, some of which are possible to mitigate or enable through intentional activities. These time horizons are a critical link to our strategic decision-making and prioritization of workflows.

Please reach out to hasbrosustainability@hasbro.com with any questions or comments.

Transition Plan Taskforce (TPT) Index

The following index outlines our alignment with the requirements of the TPT Framework. We expect our plan to evolve and improve from this first iteration as we deepen understanding of our impact and increase the rigor and ambition of our approach.

Foundation	Sub-Element	Reference Location/Response
1. Foundations	1.1 Strategic ambition	<ul style="list-style-type: none"> • Ambitions
	1.2 Business model and value chain	<ul style="list-style-type: none"> • Our Approach • Hasbro Annual Report
	1.3 Key assumptions and external factors	<ul style="list-style-type: none"> • Our Approach • Limitations and Dependencies
2. Implementation Strategy	2.1 Business operations	<ul style="list-style-type: none"> • Hasbro Annual Report • Hasbro Impact Report
	2.2 Products and services	<ul style="list-style-type: none"> • Our Approach • Hasbro Annual Report
	2.3 Policies and conditions	<ul style="list-style-type: none"> • Impact at Hasbro — Policies and Advocacy
	2.4 Financial planning	While financial planning is included in our Cross Cutting Levers , we are actively working on what that looks like for Hasbro. For now, we are directly tying out sustainability budget to transition levers within this plan.
3. Engagement Strategy	3.1 Engagement with value chain	<ul style="list-style-type: none"> • Reduce Impact • Cross-Cutting Levers
	3.2 Engagement with industry	<ul style="list-style-type: none"> • Cross-Cutting Levers
	3.2 Engagement with government, public sector and civil society	Hasbro is currently evaluating its strategy to engagement with government, public sector and civil society related to environmental matters. Read more on Hasbro’s advocacy efforts here .

Foundation	Sub-Element	Reference Location/Response
4. Metrics and Targets	4.1 Governance, business and operational metrics and target	<ul style="list-style-type: none"> • Hasbro Impact Report • Impact at Hasbro — Climate • Impact at Hasbro — Nature and Water
	4.2 Financial metrics and targets	Hasbro currently does not have financial metrics or targets related to this Transition Plan.
	4.3 GHG metrics and targets	<ul style="list-style-type: none"> • Reduce Impact • Hasbro Impact Report
	4.4 Carbon credits	<ul style="list-style-type: none"> • Hasbro Impact Report - Hasbro does not use carbon credits to reduce its emissions.
5. Governance	5.1 Board oversight and reporting	<ul style="list-style-type: none"> • Our Approach • Cross-cutting Levers • ESG Governance
	5.2 Roles, responsibility and accountability	<ul style="list-style-type: none"> • ESG Governance
	5.3 Culture	<ul style="list-style-type: none"> • Hasbro Impact Report • Impact at Hasbro — Policies and Advocacy
	5.4 Incentives and remuneration	Hasbro does not provide environmental-related incentives or remuneration for employees or senior management outside of the Sustainability team at this time.
	5.5 Skills, competencies and training	<ul style="list-style-type: none"> • Cross-cutting Levers • ESG Governance