

CORPORATE IMPACT REPORT 2020



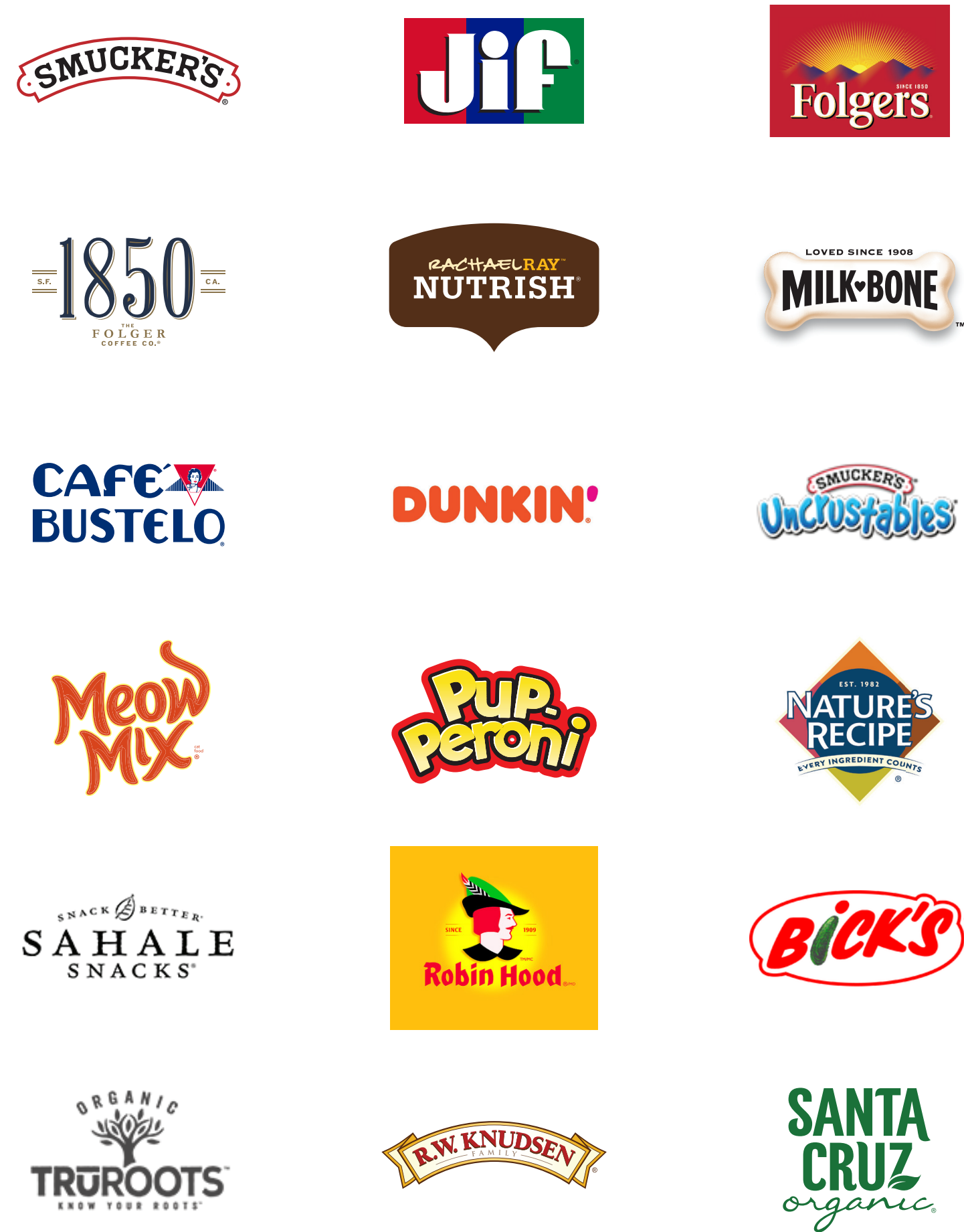
THE J.M. SMUCKER Co

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SMUCKER AT A GLANCE



CPG LEADER

\$7.8B

FY20 net sales

TRANSFORMATIONAL GROWTH

1000%

increase in net sales since 2000

OUR EMPLOYEES

7,000+

talented professionals in more than
30 locations across North America

OUR VISION

Engage, delight and inspire consumers
through trusted food and beverage brands
that bring joy throughout their lives

STRATEGIC BUSINESS AREAS



Pet Food & Snacks



Coffee



Consumer Foods

CONSUMER REACH

90%

of homes regularly enjoy a
product from our portfolio

GROWTH IMPERATIVES

Lead in the Best Categories,
Build Brands Consumers Love,
Be Everywhere

OUR THRIVING TOGETHER PHILOSOPHY IN ACTION

2019-2020

COVID-19



Partnered with suppliers and retailers to ensure a steady food supply for people and pets



Offered expanded benefits including one-time hardship bonus of \$1,500 to manufacturing and service employees



Donated more than \$350,000 and more than 4 million meals to support COVID-19 relief efforts

COMMUNITY



Donated more than 32 million meals to people and pets



Presented more than \$1 million to United Way and Red Cross



Committed more than \$1.5 million to support educational programs including I PROMISE School Hometown Hall and Akron Children's Hospital Reach Out and Read™ campaign

EMPLOYEES



Extended paid parental leave to 12 weeks, fully paid



Accelerated our inclusion and diversity program efforts, including introducing unconscious bias training and announcing plans to launch employee resource groups



Maintained our commitment to employee safety — achieving a total recordable incident rate three times below the national average

ENVIRONMENT



Remained on pace to exceed each of our 2020 environmental impact goals from our 2014 baseline ahead of schedule

WASTE

Status: **96%** waste to landfill diversion (Goal: 95%)

WATER

Status: **18.8%** water use intensity reduction (Goal: 15%)

GHG

Status: **12.9%** greenhouse gas emission intensity reduction
12.9% greenhouse gas emission intensity reduction under the Scope 2 market-based method emissions collection methodology (Goal: 10%)



Announced four new sustainable packaging commitments

SUPPLY CHAIN



Maintained commitment to smallholder coffee farmer support through training and resources



Achieved 100% cage-free liquid egg sourcing in the manufacturing of our consumer food products



Continued progress on Global Responsible Sourcing program, including introducing new learning module for suppliers

A COMMITMENT TO MAKING A MEANINGFUL IMPACT



It is not hyperbole to suggest the past few months have been among the most challenging in our lifetimes. As we continue to grapple with the impacts of COVID-19, climate change and the painful reminders that racial injustice remains a critical issue, it is abundantly clear we will only overcome these challenges together. As a Company, we have always been driven by the idea that our success is defined by our ability to help support all those connected to our business. That we must thrive together.

I believe that words on paper hold little value if they aren't motivation for actions that make a meaningful impact. In that spirit, this year's Corporate Impact Report is focused on clearly sharing our commitments and the progress we have made against these goals.

Guided by Our Values-Driven Approach

We have been driven by our values since our founding in 1897. These values helped us address societal issues relevant to our constituents historically and have been critical to guiding our response over the past few months.

The challenges we currently face as a society are considerable, but not insurmountable. The ability to face these challenges and make a difference in the lives of people and pets inspires and motivates our employees. And that spirit has been demonstrated by the impact we had in the past year, particularly in the following areas.

Supporting Those Impacted by COVID-19

We approached the COVID-19 pandemic with a clear focus: helping ensure a steady food supply for people and pets, supporting the health and well-being of our employees and aiding the communities where we live and work. I am incredibly proud of how our team continues to rise to the occasion during this time. Through their passion and generosity, we have been able to play a small but important role in helping people manage through this time by:

- Collaborating with suppliers and retailers to help ensure consistent availability of our most in-demand products to give people and their pets a sense of comfort and normalcy
- Introducing extensive safety measures to support employee health and well-being as well as providing enhanced benefits, including extending a \$1,500 hardship bonus for manufacturing and service employees, to support their holistic needs during this unprecedented time
- Making monetary and product donations to organizations supporting COVID-19 relief efforts

While we continue to deal with the challenges of COVID-19, I am heartened by the positive role our business has played and am encouraged that we can overcome this pandemic and be stronger than we were before.

A MESSAGE FROM MARK SMUCKER

Accelerating Our Efforts to Help End Discrimination and Racial Injustice

The incidents of discrimination and racial injustice that continue to occur are truly a shameful tragedy. Our Company has always denounced racism, prejudice and discrimination in any form. However, these recent events made us take a harder look at ourselves and prioritize the important work we need to undertake to become the inclusive, diverse organization we strive to be. I believe this reflection is important. We can only improve if we recognize the opportunities for growth and we have taken time to listen and learn to assist us in developing a meaningful plan to do just that.

While we are in the early stages of our journey, we have taken several initial steps to support the changes we need to see in society including:

- Introducing unconscious bias training for employees and committing to sponsor employee resource groups
- Signing the CEO Action for Diversity and Inclusion pledge to publicly demonstrate the importance of ensuring inclusivity in the workplace
- Committing \$500,000 to organizations that advocate for inclusion, racial justice and the advancement of under-represented people
- Updating our marketing guidelines to clarify our expectations of social media partners to eliminate hate speech and discriminatory content from their platforms, resulting in us joining the #StopHateForProfit movement
- Making Juneteenth a Company holiday starting in 2021 and encouraging elected officials in the United States to make it a federal holiday

Maintaining Our Commitment to End Hunger

As a food company, we have a unique ability to support the important work being done to combat hunger. We are appreciative of our long-time partners, including Feeding America® and Rescue Bank™, that help us ensure every dollar and product donated helps make a difference in the lives of the people and pets who need it.

This past year, we made meaningful contributions to support those in need, including donating more than 32 million meals for people and pets through our partners, including Feeding America® and the Red Cross, and committing \$1 million to support the expansion of the Akron-Canton Regional Foodbank, which will assist the organization's mission to close the meal gap in Northeast Ohio.

Hunger continues to be a pervasive issue, but with the commitment of our partners and employees, we will maintain the fight.

On Pace to Exceed Our Environmental Impact Goals Ahead of Schedule

A respect for the environment has always been a part of our heritage, and the work toward our established environmental impact goals has helped us ensure we are driving tangible results. I am very proud to share that we are on pace to exceed all our 2020 environmental sustainability goals for waste-to-landfill diversion, water use intensity reduction and greenhouse gas emissions intensity reduction.

In addition to the progress against our 2020 environmental sustainability goals, this past year we also introduced new packaging commitments. These goals are the first in a new set of environmental impact objectives, which will be announced in 2021.

Enhancing Our Parental Leave and Paid-Time-Off Programs

We believe it is imperative to support our employees holistically, and an important aspect of this is ensuring they have the time they need when they experience major life milestones to simply step away from work to reconnect with family and friends.

In that spirit, last fall we were pleased to expand our paid parental leave program from two to 12 weeks, fully paid. In addition, we also made the decision to provide three weeks of paid time off to all employees with less than five years of service and introduced pet bereavement leave to allow pet parents to take a day of leave following a loss.

Balancing work and life is critical, especially in today's environment, and we are committed to ensuring we are always supporting our employees both professionally and personally.

We Can Only Thrive Together

I am incredibly proud of the passion our employees and partners have shown this past year to deliver for those who need our support. I am encouraged by the tremendous progress we have made. And, most importantly, I am confident our continued dedication and genuine care for people, pets and the planet will enable us to not only overcome the challenges our society faces but to thrive together.



Mark T. Smucker
President and CEO

BEING THERE FOR OUR COMMUNITIES



OUR COMMITMENT

Supporting the communities where we live and work.

OUR APPROACH

Focusing on how we can maximize our impact and resources against the areas of greatest need. This is realized by concentrating on helping families and kids, people and pets, our communities and our planet thrive.



Key Highlights from the Past Year

DONATED MORE THAN

32
MILLION



meals to people and pets

COMMITTED

\$1 MILLION

to support the launch of the I PROMISE School Hometown Hall, which will provide a safe environment for students to learn and play and a space for the school's families to gather, connect and share meals



COMMITTED

\$500,000

over a five-year agreement to support Akron Children's Hospital's participation in the national Reach Out and Read™ program, which encourages literacy by providing books to children - more than 60,000 new books are given out annually to children between the ages of 6 months and 5 years



DENOUNCED RACISM
AND INTOLERANCE

while taking meaningful steps to enhance the role we can play in combatting these issues, including committing

\$500,000

to non-profit organizations combatting discrimination



INCREASED OUR SUPPORT OF THE AKRON-CANTON
REGIONAL FOOD BANK BY COMMITTING

\$1 MILLION

to aid their efforts to close the meal gap in Northeast Ohio



PRESENTED MORE THAN

\$1
MILLION

to the United Way and Red Cross to support their national relief efforts

OUR COVID-19 COMMUNITY RESPONSE

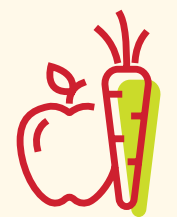
Our commitment to the communities where we live and work was reflected in our response to the COVID-19 pandemic. We worked with our partners to support the critical services they offer, assisted those who were most impacted by the pandemic in our communities and reflected our appreciation for first responders.



Some notable steps we took included:



Donating \$300,000 to support COVID-19 relief programs coordinated by the Red Cross, United Way and Feeding America



Providing 2.4 million units in incremental product donations to Feeding America and our local Akron-Canton Regional Foodbank to help support the growing need for food in hard-hit communities



Supporting The Rachael Ray Foundation in its efforts to care for pets during this challenging time by donating the equivalent of 4 million meals to GreaterGood.org to aid our long-time partner, Rescue Bank, in providing food to animal shelters and pet parents in need



Partnering with the United Way of Southeast Louisiana to coordinate meals for nearly 1,000 first responders in the Greater New Orleans community



Committing funds to the National Restaurant Association Restaurant Employee Relief Fund to support restaurant employees who experienced hardships related to COVID-19

Extending Our PROMISE to Families and Children

In 2018, more than 200 Smucker employees assisted with the physical transformation of an administrative building into the remarkable I PROMISE School, a public elementary school created in partnership with The LeBron James Family Foundation and Akron Public Schools to serve Akron's most challenged students and their families providing them with the care and resources they need to achieve a bright future. Since that time, we have proudly helped keep the on-site food pantry and school library stocked. This past year, we were thrilled to expand our support by committing \$1 million toward the development of the upcoming I PROMISE School HomeTown Hall.

The space, which will be located within The Tangier, will provide a large indoor space for the growing I PROMISE family to gather, learn and grow together. This will also be the new location of the Foundation's monthly Family Feast dinners for I PROMISE families.

Our relationship with The LeBron James Family Foundation and I PROMISE School is a great source of pride for our Company. We are excited for the opportunity to support the continued growth of this promising public educational model and its ability to serve students, families and the community.



Enhancing Our Efforts to Help Support an End to Racial Injustice

Over the past few months, we have been painfully reminded that discrimination and racial injustice remain critical issues in our society. We share in the rightful outrage over the senseless loss of life and the frustration with continued inequality. Our Company's values and principles call on us to do more than just speak out about issues; they inspire us to stand up and participate as part of a human response to injustice. Reflecting our commitment to listen, learn and grow as an organization, some initial community-oriented steps we have taken include:

- Signing the CEO Action for Diversity and Inclusion pledge to publicly demonstrate the importance of ensuring inclusivity in the workplace while denouncing racism, intolerance, bias, violence and injustice here and elsewhere unequivocally
- Accelerating our work to enhance our inclusion and diversity strategy to support the role our employees are able to play as positive role models in society
- Making Juneteenth a Company holiday starting in 2021 and encouraging elected officials in the United States to make it a federal holiday
- Committing \$500,000 to non-profit organizations that advocate for inclusion, racial justice and the advancement of under-represented people
- Updating our marketing guidelines to reflect our expectation that social media partners eliminate hate speech and discriminatory content from their platforms, which led to us joining the #StopHateForProfit movement

We believe this is a time to lead, as a Company and as individuals. And, together with our employees, we are motivated to enhance the role we can play in addressing these critical issues.

DRIVING A POSITIVE IMPACT ON THE ENVIRONMENT



OUR COMMITMENT

Positively impact the environment through an efficient and innovative use of resources.

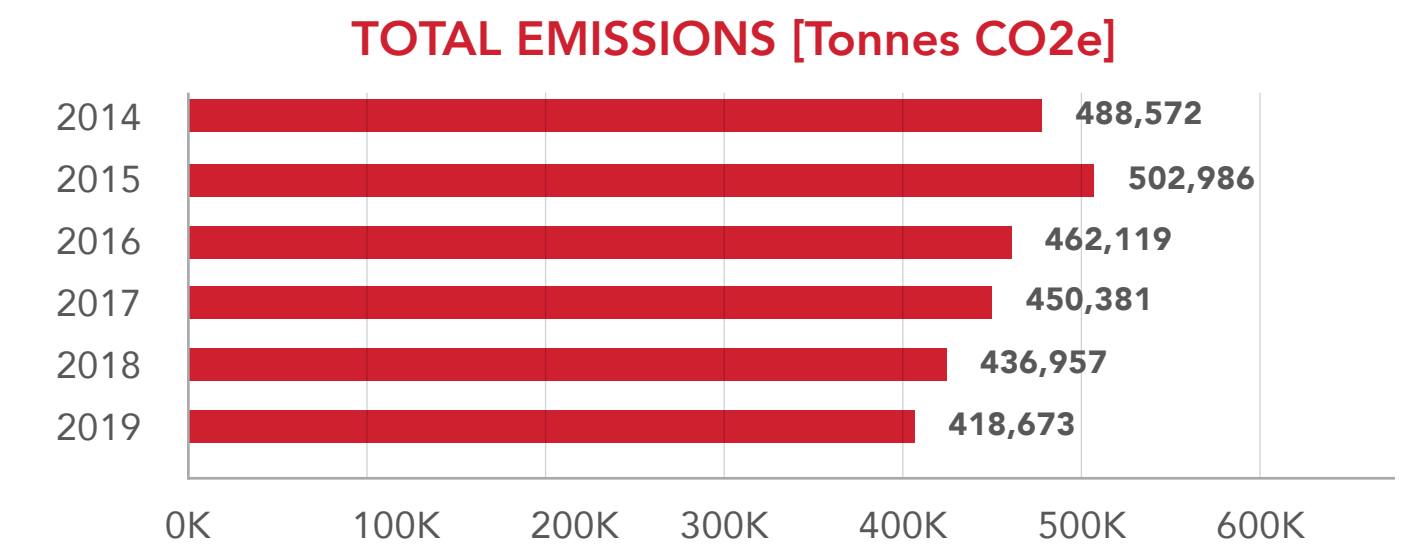
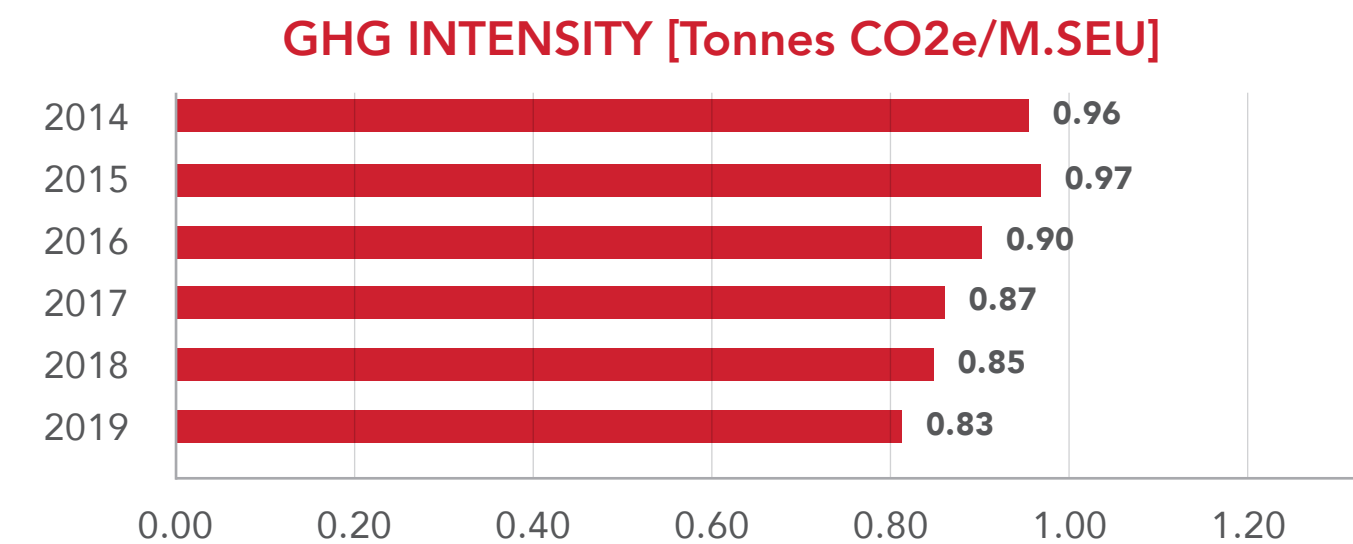
OUR APPROACH

Establishing and working toward specific, meaningful objectives. Having this clarity of focus helps ensure alignment across our organization and amongst all employees. This is realized by:

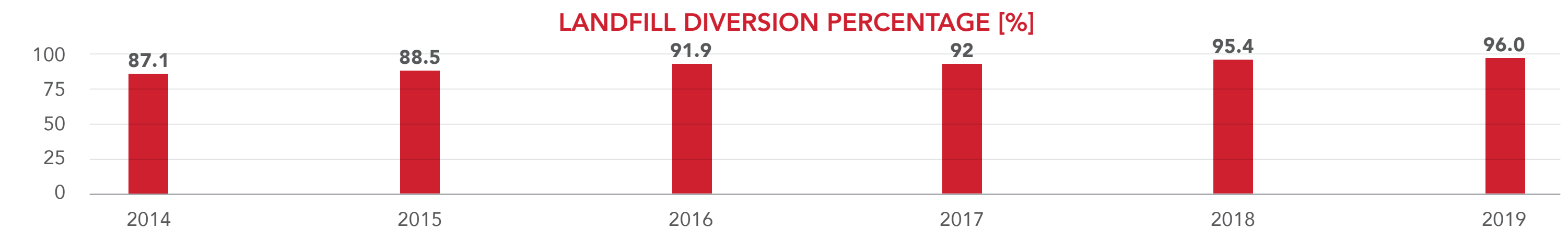
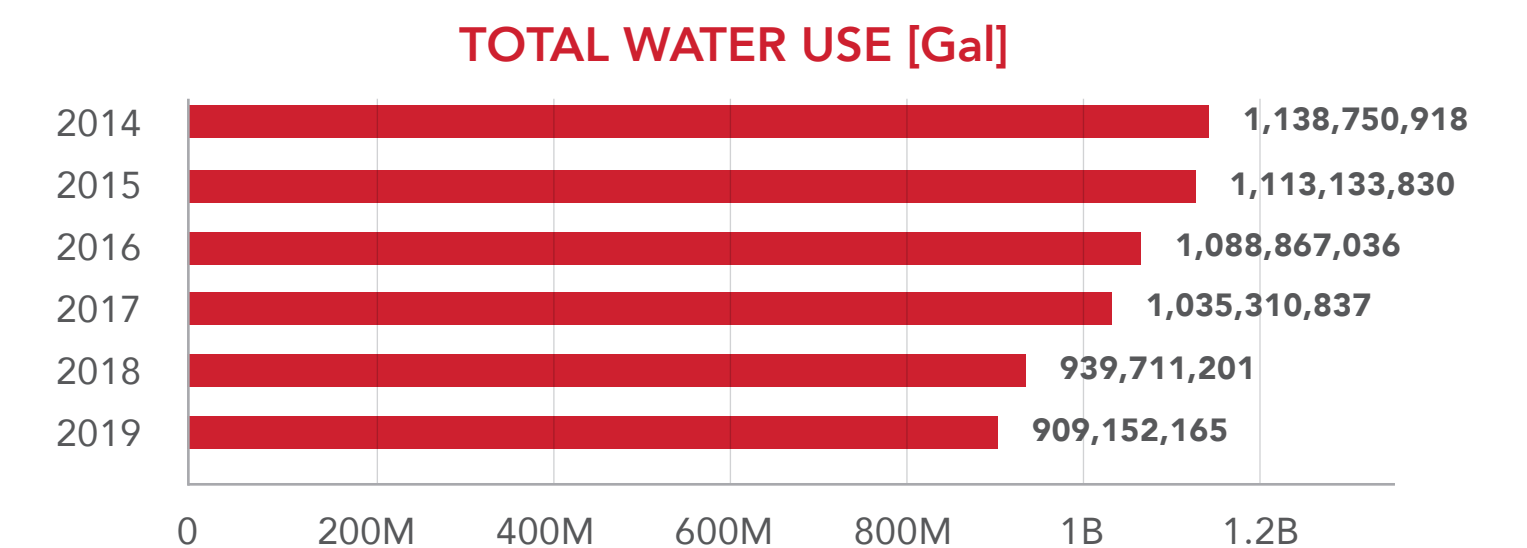
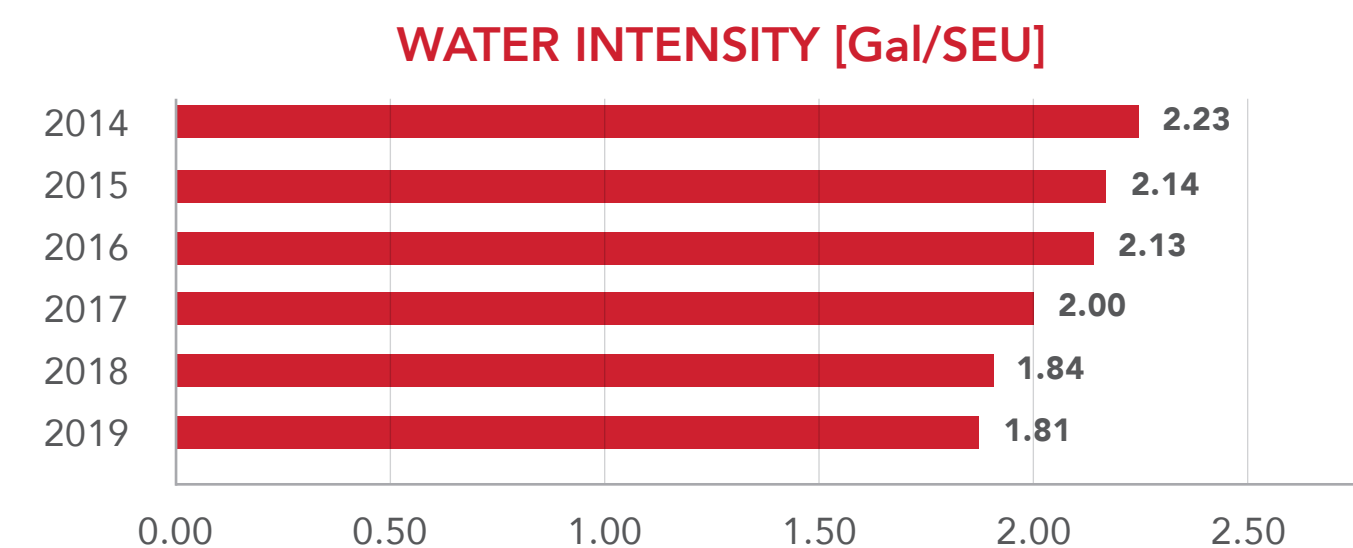
- Working toward our goal to reduce our greenhouse gas emissions intensity by 10%
- Progressing toward our goal to reduce our water use intensity by 15%
- Maintaining our commitment to divert 95% of waste from landfill
- Introducing new packaging commitments to enhance responsible sourcing and recyclability

2020 Environmental Sustainability Goals*

	Goal	Current Status from 2014 Baseline (through 2019)
Waste to Landfill Diversion	95%	96%
Water Use Intensity Reduction	15%	18.8%
Greenhouse Gas Emissions Intensity Reduction	10%	12.9%



12.9% greenhouse gas emissions intensity reduction under the Scope 2 market-based method emissions collection methodology



*Values back to the 2014 baseline have been recalculated to reflect structural changes including acquisitions, notably Big Heart Pet Brands in 2015 and Ainsworth Pet Nutrition in 2018, and divestitures.

Key Highlights from the Past Year

INTRODUCED PACKAGING SUSTAINABILITY GOALS

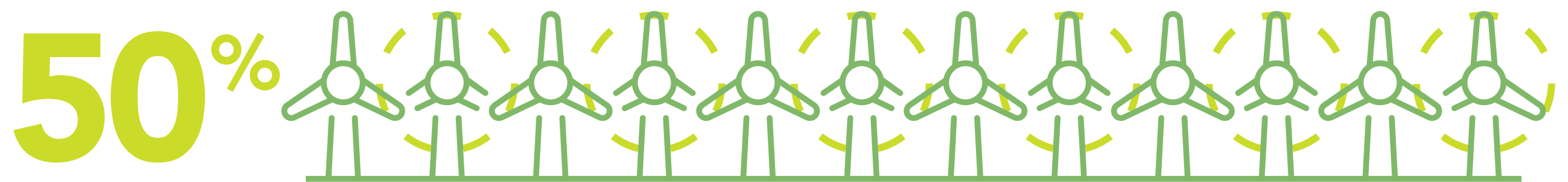
Striving for
100%
recyclable, compostable
or reusable packaging
materials by 2025

Making
HOW2RECYCLE
information available for
all packaging by 2025

Ensuring
100%
of fiber-based packaging
is from recycled and/or
certified sources by 2025

Working toward including
30%
post-consumer recycled or
renewable resource materials
in plastic packaging by 2030

Launched operations at Plum Creek Wind Farm, which is expected to produce enough renewable wind energy certificates to match 50% of our total electricity usage annually



Recognized as a Giga-Guru by Walmart as part of its Project Gigaton initiative to help avoid or reduce its global emissions in its value chain by 1 billion metric tons by 2030



Enhanced employee engagement with environmental sustainability initiatives through presentations by industry leaders and interactive activities, including a virtual Earth Day event



Enhancing Our Energy Management Process Through Project Evergreen

Every month, people open their home utility bills and review their expenses against expectations. It's actually a very similar process at our manufacturing facilities — with obviously just a few more impacts to consider. Using a utility invoice as the source for analysis of energy efficiency meant we were always evaluating data 30 days or more in the past. Taking a new look at how we evaluate our utility expenses at our manufacturing facilities highlighted an opportunity to reduce our energy consumption.

As part of our commitment to reduce our greenhouse gas intensity by 10%, we recognized the need to think broadly on how to fold in new technologies for data analysis. In evaluating our facilities impact, we identified an opportunity to enhance the management of our daily utility usage through a systematic and real-time approach - which we called Project Evergreen.

We partnered with MPC, an energy management consultant, to develop utility usage models, which are based on key drivers to more accurately predict annual usage. With this baseline established, we were able to determine daily energy usage expectations and act in real time when a fluctuation was identified. The project was initially implemented at our manufacturing facility in Cincinnati, OH, which not only captured savings within the first year but also has been able to sustain the savings over subsequent years. Project Evergreen was based on this initial success and implemented at 12 additional manufacturing facilities. Thanks to the commitment of the facility Energy Teams who share in our passion, we are not only reducing GHG emissions but also delivering more than \$2.9M in annual cost savings.

Project Evergreen Achievements



Leadership at our Gentilly coffee roasting facility in New Orleans, LA, established many best practices in compiling and sharing data while also generating considerable nitrogen savings through a careful evaluation of equipment and processes.



Our Lexington, KY, facility, which supports our Jif® brand, reconfigured processes to reduce energy consumption by optimizing fan speed depending on whether one or two roasters was in operation.



Leadership at our pet food facility in Lawrence, KS, initiated a process to ensure the team had constant visibility to power usage and where there were opportunities for energy savings.

In addition to supporting our commitment to operational excellence and continuous improvement, Project Evergreen reinforced our focus on employee engagement and empowering employees to help us deliver on our sustainability objectives. As the facilities that participated in the initial implementation maintain their progress, we are evaluating opportunities to expand the program to additional facilities.



Launching Commercial Operations at Plum Creek Wind Farm

In August 2018, we announced a long-term virtual power purchase agreement with Plum Creek Wind Farm for 60 megawatts (MW) of the utility-scale 230 MW project. This project was managed by our partners at global renewable energy company Ørsted and represents our commitment to increase sources of renewable energy and significantly reduce our emissions impact. We are excited to share that Ørsted has completed construction, and the project is now live.

The Plum Creek project consists of 82 wind turbines located on the plains of Wayne County, NE.

As the benefits of wind energy have become more apparent in recent years, its prevalence has steadily increased in North America. Wind energy is viewed as an integral way to combat climate change worldwide, as it has a much smaller impact on the environment than other forms of energy, such as burning fossil fuels.

We're proud of the significant impact this will have, as the wind farm is annually expected to produce enough renewable wind energy certificates to match 50% of our total electricity usage. Additionally, it enhances the United States' renewable energy infrastructure.



Transitioning to Reusable Drums for Ingredient Transport Opens Opportunities for Sustainable Waste Reduction

It will come as no surprise that we process and transport a considerable volume of fruit and peanut butter to make many of the products our consumers enjoy each day. Traditionally, this transportation has largely been coordinated via disposable drums. However, as part of our commitment to reviewing all aspects of our operations for sustainability enhancements, our teams identified an opportunity to switch to reusable drums.

The reusable 48-gallon drums are extremely durable and are designed to maximize rail car space — offering reduced emissions in addition to the waste reduction given the fewer shipments required. When a drum is no longer usable, it is washed, scrubbed and shredded — often to be re-manufactured into new plastic drums.

For context, recycling just one plastic drum is equivalent to recycling 500 beverage bottles or 2,000 plastic bags.

As with many of our sustainability successes, what started as a simple idea to introduce greater environmental efficiency has evolved into an initiative that delivers a significant positive impact while inspiring our teams to continue to strive to find new solutions to support our planet.

DELIVERING ON EMPLOYEES' NEEDS



OUR COMMITMENT

Supporting our employees holistically.

OUR APPROACH

Taking proactive steps to ensure we are helping meet our employees' physical, emotional and financial needs. This is realized by:

- Reinforcing our unwavering dedication to ethical business practices through our Code of Business Conduct and Ethics, Anti-Harassment/Discrimination Policy and Policy Against Retaliation, with internal mechanisms in place for the reporting and resolution of concerns, including an anonymous option available through and administered by a third party
- Regularly reviewing workforce engagement through surveys, focus groups and informal measures, and integrating feedback into our planning to help ensure employee satisfaction
- Maintaining diligence in helping ensure workforce health and safety at all locations through education and training
- Offering employee development programs including the introduction of virtual sessions to maintain commitment in light of current social distancing guidelines
- Escalating our efforts to support gender and diversity inclusion across our organization, including the launch of training on unconscious bias and announcing plans for employee resource groups
- Providing our Total Rewards program to offer competitive, comprehensive benefits to meet the unique needs of each employee at each life stage

Key Highlights from the Past Year

Enhanced parental leave, extending from two weeks to 12 weeks, fully paid



Expanded paid time off for those with less than five years of experience



Introduced pet bereavement leave

ACCELERATED OUR
**INCLUSION
& DIVERSITY**
strategy



Maintained commitment to employee safety — achieving a total recordable incidents rate that is three times below the national average



OUR COVID-19 EMPLOYEE RESPONSE

We are proud to help deliver a steady food supply for people and pets during the COVID-19 pandemic, while maintaining an unwavering commitment to supporting the health and well-being of our employees.



Specific actions we have taken to support our employees during this challenging time include:



Implementing extensive safety and sanitation measures to help ensure employee health and well-being



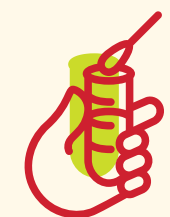
Encouraging remote work for all who are able and introducing protocols in our manufacturing facilities to allow for appropriate social distancing and protection of employees



Issued a one-time \$1,500 hardship award to manufacturing and service employees



Providing paid sick leave to individuals who test positive for COVID-19 or have to care for a family member who tests positive



Paying for 100% of COVID-19 testing for employees



Reinforcing availability of mental health resources to employees across the Company



Seeded an employee assistance fund with \$100,000 to support employees impacted financially

Creating an Inclusive Environment to Support the Diversity We Strive to Achieve

We believe having an inclusive culture and the expertise of diverse professionals across our business is critical to our success. However, as part of our commitment to continuous improvement, we understand there are opportunities to enhance the inclusivity of our workplace and diversity of our team to ensure every employee feels welcome and to improve the quality of our work.

In that spirit, we have accelerated our inclusion and diversity efforts by first taking the time to listen to employees, learn and grow. This valuable exercise allowed us to take a thoughtful approach toward enhancing our inclusion and diversity strategy and to introduce meaningful steps to promote understanding and inclusivity among all employees.

One way employees will experience our enhanced inclusion and diversity strategy in the near-term is through the introduction of unconscious bias training. This training will help employees understand the unconscious biases they may bring to certain situations and provide the steps they can take to overcome them.

In addition, later this year we will be introducing employee resource groups to encourage empathy and provide support. These groups will help employees to feel comfortable in bringing their whole selves to work and reinforce our commitment to creating an environment that celebrates the differences that make each of us who we are.

Over the next few months, we will be introducing additional steps to drive continued progress for our inclusion and diversity efforts. While we recognize there is work ahead to get to where

we need and want to be, we are excited for the opportunity and are confident that, in partnership with all our employees, we will achieve our vision.



Enhancing Benefits to Reflect the Evolving Needs of Employees

Even prior to the COVID-19 pandemic altering our lives, the idea of work-life integration had taken the place of work-life balance. The shift is focused on creating synergies between life and work and supporting employees holistically, as opposed to supporting their ability to balance commitments. While a comparatively newer trend for some, this philosophy has inspired our commitment to

employees for several years and was a driving force behind the decision to enhance our paid time off and leave benefits last fall.

Those benefits enhancements include:

Supporting New Parents

Welcoming a new member to the family is exciting and life-changing for all involved. It's essential to take time to bond and adjust following a birth, adoption or foster placement. To support this, we increased Company parental leave from two to 12 weeks, fully paid. This is in addition to the up to 12 weeks of short-term disability available to birth mothers.

Introducing Pet Bereavement Leave

As a leader in the pet food industry, we recognize our dogs and cats are more than just pets, they are important members of our family. With this, we understand our employees who experience a loss of a beloved pet similarly need time and they are now able to take one paid day off to grieve following their loss.

Increasing Paid Time Off

A key component of personal well-being and professional engagement is the ability to take time away from work to renew and reconnect with family and friends. While our approach to paid time off has always been competitive with our industry peers, we saw an opportunity to enhance our Company-paid vacation by increasing vacation time for employees with less than five years of tenure to three weeks per calendar year.

We truly believe employees are at their very best when they feel supported both professionally and personally, and we are proud to help our more than 7,000 employees achieve the work-life integration they deserve.

CREATING A MORE SUSTAINABLE SUPPLY CHAIN



OUR COMMITMENT

Ensuring the sustainability of our supply chain while supporting all those connected to it.

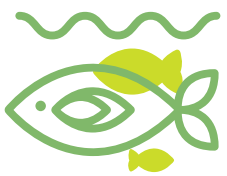
OUR APPROACH

Strategically investing to assist our suppliers' ability to continuously deliver the quality ingredients we use in our products, supporting livelihoods for themselves and their families, and meeting our expectation of ethical and responsible sourcing. This is realized by:

- Communicating our expectations with regard to labor practices and human rights, business integrity, responsible environmental practices and reporting and enforcement through our Global Supplier Code of Conduct
- Reinforcing our Animal Welfare Policy to reflect our commitment to not conduct or sponsor any harmful animal testing, our expectations for the humane treatment of animals in our supply chain and our efforts to improve the lives of, and relationships with, our pets in the United States and Canada
- Steadily expanded our Global Responsible Sourcing Program to drive a positive impact across the supply chain through enhanced collaboration

Key Highlights from the Past Year

Steadily expanding our Global Responsible Sourcing Program, including streamlining processes, engaging internal and external stakeholders and launching a training module available to all suppliers



Supported efforts to eliminate fraud in the organic supply chain through the adoption of The Organic Trade Association's Organic Fraud Prevention Solutions guidelines



Continued our ongoing support of smallholder coffee farmers, notably through our participation in strategic initiatives, including MAS Plus; Strengthening the Smallholder Robusta Sector project in Sumatra, Indonesia; and Maximizing Opportunities in Coffee and Cacao in the Americas (MOCCA)



MAINTAINED
100%

Roundtable on Sustainable Palm Oil (RSPO) certified designation for our direct palm oil and palm-derived ingredients, contributing to the production of certified sustainable palm oil

ACHIEVED
100%

cage-free liquid egg sourcing for consumer foods manufacturing while continuing to evaluate processed egg sourcing for our pet food

Increased support of human rights in partnership with The Consumer Goods Forum



Partnered with Farmer Connect and IBM to launch the first blockchain technology in the U.S. coffee industry



Strengthening the Coffee Supply Chain

As a leader in the coffee category, we are a major buyer of green coffee and have always been committed to supporting the smallholder farmers across the globe who deliver the commodity and ensure the sustainability of the supply chain. In the past year, this has come to life in several ways:



Achieved significant results leading to the expansion of the Strengthening the Smallholder Robusta Sector project in Sumatra, Indonesia, in partnership with Hanns R. Neumann Stiftung and International Coffee Partners. Key results included delivering an average 55% increase in yield from the 2014 baseline and an average 75% increase in profits since the launch of the project.

An initiative to improve profitability and climate change resilience of coffee production for Indonesian Robusta farming households in an economically, environmentally and socially sustainable way.

In Phase 1 of the effort we supported 7,780 smallholder farmers (exceeding the entire program goal of 7,500) and are now targeting support of 20,000 coffee farming families by 2024.



Continue to support certification programs by maintaining our commitment to purchase 10% of our coffee from certified green coffee sources.



Continued support of MAS Plus, in partnership with TechnoServe and the USDA, which has delivered improvements in yield and pricing while reducing crop loss and costs for smallholder coffee farmers in Honduras through technical training.

MAS Plus is committed to supporting 22,652 farmers with a focus on enhancing their production and market access, while increasing awareness around child labor issues.



Assisted in the first harvest of F1 hybrid coffee varieties as a founding member of World Coffee Research (WCR) — the first step toward selecting the next generation of climate-resilient varieties with the best productivity (yields) and cup quality.

The mission of WCR is to grow, protect and enhance the availability of quality coffee while improving the livelihoods of the families who produce it.



Strengthened training activities for coffee farmers in Guatemala, Nicaragua, Honduras and Peru through support of Maximizing Opportunities in Coffee and Cacao in the Americas (MOCCA), a public-private partnership primarily funded by USDA, with the largest private sector support from Smucker.

This five-year, \$36.4 million multi-stakeholder effort aims to improve the livelihoods of more than 100,000 farmers by building up the key agricultural sectors of coffee and cocoa.



Partnered with Farmer Connect and IBM to launch the first blockchain technology in coffee in the U.S. to increase transparency in the supply chain and support awareness of smallholder farmer needs.

Leveraging IBM's blockchain technology, consumers can trace their coffee back to its region of origin by scanning a QR code — first introduced on our 1850® Coffee 100% Colombian Coffee bagged product.



Supported Coffee Kids, an organization committed to fostering the creativity and entrepreneurial spirit needed to protect the future of coffee farming, through a donation of proceeds from our on-site cafe.

Coffee Kids provides training, mentoring and financial support to young coffee farmers so they can implement creative solutions to the challenges they face in the changing coffee industry.



Partnered with Olam, one of our coffee suppliers in Brazil, to support their Our Coffee Community Project, which provides masks, hand sanitizers and environmental disinfectants to support the health of coffee farmers working through the COVID-19 pandemic.

Brazil, the largest supplier of green coffee world-wide, has been especially hard hit by COVID-19.

Realizing an Ethical, Responsible Supply Chain Together

We recognize our ability to maintain ethical and responsible operations requires partners that share in our commitment. With our Global Supplier Code of Conduct as the foundation establishing these expectations, our Global Responsible Sourcing Program helps us collaborate with our partners to drive positive change across the supply chain.

Our Global Responsible Sourcing Program is coordinated through self-assessments, third-party audits and, when necessary, remediation plans with all direct suppliers to ensure adherence to the environmental and social standards established. We are proud to be making continued progress and have taken several steps to enhance the effectiveness of the program this past year. Highlights included:

- Testing risk assessment methodology and tools to determine opportunities to optimize and streamline processes
- Moving to an equivalency model for assessing supplier compliance with our program and transitioning to accepting specific internationally recognized social audit schemes, making it possible for more complete and accurate auditing
- Introducing a new learning module to communicate our expectations and the steps suppliers can take to achieve them, and sharing details of the program with employees to enhance their understanding and engagement

As we continue to grow our business, we will continue to rely on transparency, collaboration and communication to support our Global Responsible Sourcing Program and maintain a responsible supply chain for all involved.



Enhancing Our Support of Responsible Seafood Sourcing

Our pet food products use a wide range of ingredients that were not traditionally a part of our Company's supply chain. Despite expanding the number of raw ingredients we source, we have retained our commitment to responsibly source these ingredients. One example of this is our work related to seafood sourcing.

Reporting of human rights issues in the seafood industry has increased in recent years. These reports have sparked ongoing dialogue and initiatives, resulting in companies and organizations across the sector partnering to prevent infringements of human rights and to establish improved working conditions on-board fishing vessels.

This past year, we joined a group of consumer packaged goods companies in partnering with Thai Union, a seafood industry leader, to collaboratively fund projects to improve working conditions on vessels, addressing the most common issues identified during vessel audits.

In 2017, Thai Union introduced its Fishing Vessel Improvement Program (VIP) and Vessel Code of Conduct (VCoC), an extension of the Thai Union Business Labor and Ethics Code of Conduct, which is built on 12 fundamental principles designed to reinforce a culture of integrity and is aligned with the United Nations Global Compact principles of basic responsibilities to people and upholding their basic rights.

The projects will build on previous collaborative efforts, which aim to use our collective market positions to continuously improve working conditions on-board vessels and support change across the industry.

OUR RELENTLESS FOCUS ON DELIVERING FOR CONSUMERS RESPONSIBLY

The impact we make on consumers is both simple and critical.

We make consumers’ lives better by delivering food people and pets love. Providing favorite snacks, coffee and pet food offers more than a necessity; it provides a sense of comfort and normalcy, which is especially important in the challenging times we’re facing.

We recognize the opportunity to serve consumers is earned and are honored that more than 90% of U.S. homes have a Smucker product in their pantries. While proud of this distinction, we are focused on our commitment to earn their trust anew every day and with every product.



Maintaining the highest expectations for food safety and quality

Auditing of our internal manufacturing sites, partner sites and supplier sites to ensure our unwavering commitment to the highest quality is met.



PROVIDING PREVENTIVE **CONTROL QUALIFIED INDIVIDUAL (PCQI)**

training for all quality managers and plant personnel whose responsibilities are impacted by the FSMA.



SUPPORTING AND COMPLYING WITH THE **FOOD SAFETY MODERNIZATION ACT (FSMA),**

which vests food companies with many prevention-based responsibilities to ensure a safe food supply for all consumers.



ACTIVELY PARTICIPATING IN THE **GLOBAL FOOD SAFETY INITIATIVE (GFSI)**

managed by The Consumer Goods Forum, an independent global network for consumer goods retailers and manufacturers.



Ensuring transparency to help consumers make the best decision for themselves and their families

Following the mandate to have any applicable allergen from the Food and Drug Administration’s (FDA) eight most common allergens listed on the label in bold type on product packaging. Other potential allergens will be listed in a “MAY CONTAIN” statement on the label. Our products sold in Canada follow a similar practice, using boldfaced labeling to identify the Canadian Food Inspection Agency’s list of the 11 most common allergens.



Including ingredient lists on each product’s label and on the brand’s website so consumers can see clearly whether the product meets their specific needs and preferences.



Providing details on the materials that make up our product packaging whenever possible and, if not readily available, working with our suppliers to better understand the source of these materials.



Sharing details on the source of the ingredients that go into our products whenever possible and, if not readily available, working with our suppliers to improve visibility to the ingredient’s origins.



Engaging consumers in an ethical and responsible manner

INTEGRATING DIRECTION FROM THE ASSOCIATION OF NATIONAL ADVERTISERS **#SEEHER MOVEMENT**



and leveraging the Gender Equality Measures (GEM), which were developed to quantify consumer reaction to the treatment of women in advertising and programming, to evaluate our marketing creative.

Following responsible marketing practices, which include selecting diverse talent for advertising, clearly substantiating all claims, expressing the standards we have for all partners and refraining from any advertising on platforms that specifically target children age 13 and younger.



JOINING **#STOPHATEFORPROFIT**



as part of our evolved marketing guidelines and expectations for social media partners to eliminate hate speech and discrimination from their platforms.

APPENDIX

Report of Independent Accountants

Board of Directors and Shareholders

The J.M. Smucker Company

We have examined the Schedule of Total Scope 1 and Scope 2 location-based method (“LBM”) and market-based method (“MBM”) Greenhouse Gas Emissions (the “Subject Matter”) for the year ended December 31, 2019 as well as the baseline for the year ended December 31, 2014 for The J.M. Smucker Company (the “Company”) 2020 submittal to the CDP (formerly the Carbon Disclosure Project) Climate Change Disclosure and for presentation in the Company’s 2020 Corporate Impact Report (the “Reports”). The Company’s management is responsible for the Subject Matter included in Exhibit A and as presented in the Reports in accordance with the World Resources Institute/World Business Council for Sustainable Development’s The Greenhouse Gas Protocol: A Corporate Accounting and Reporting standard and other source specific calculation methodologies as set forth in Exhibit A (the “Criteria”). Our responsibility is to express an opinion on the Subject Matter based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) AT-C section 105, Concepts Common to All Attestation Engagements, and AT-C section 205, Examination Engagements. Those standards require that

we plan and perform the examination to obtain reasonable assurance about whether the Subject Matter is in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the Subject Matter. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Subject Matter, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not address other criteria beyond those set forth in Exhibit A.

In performing our exam, we have also complied with the independence and other ethical requirements set forth in the Code of Professional Conduct and applied the Statements on Quality Control Standards established by the AICPA.

The Subject Matter is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

In our opinion, the Schedule of Total Scope 1 and Scope 2 LBM and MBM Greenhouse Gas Emissions for the years ended December 31, 2019 and 2014 is presented in accordance with the Criteria, in all material respects.

Ernst & Young LLP

The logo for Ernst & Young LLP, featuring a yellow chevron pointing right above the letters "EY" in a bold, sans-serif font. Below "EY" is the tagline "Building a better working world" in a smaller, lighter font.

June 19, 2020

Exhibit A
Management’s Assertion

Management’s Schedule of the Subject Matter and Criteria

The J. M. Smucker Company		
Schedule of Total Scope 1 and Scope 2 LBM and MBM Greenhouse Gas Emissions		
For the Years Ended December 31, 2019 and 2014		
Amounts in Metric Tonnes CO2e		
	2019	2014 Recalculated
Scope 1 Emissions	206,236	206,150
Scope 2 Location Based Method (LBM) Emissions	233,222	282,422
Scope 2 Market Based Method (MBM) Emissions	212,437	282,422
Total Scope 1 and Scope 2 LBM Emissions	439,458	488,572
Total Scope 1 and Scope 2 MBM Emissions	418,673	488,572

¹ The Greenhouse Gas Protocol released an amendment to the scope 2 guidance which requires emission reporting using two different methods: LBM and MBM. LBM utilizes emission factors generated by geography or specific locations such as eGRID, whereas MBM utilizes emission factors generated by the specific supplier of electricity. The Company began reporting scope 2 MBM emissions in 2019. Due to the lack of availability of MBM emission factors that were in alignment with the Greenhouse Gas Protocol scope 2 guidance criteria for the 2014 inventory, the 2014 Scope 2 MBM emissions were calculated using the same emission factors as the 2014 Scope 2 LBM emissions and thus, the two values are the same for the year ended 2014.

Note 1 — Basis of Presentation:

The above amounts represent the Scope 1 and Scope 2 LBM and MBM Greenhouse Gas Emissions (in metric tonnes CO2e) of the Company for the years ended December 31, 2019 and 2014 that the Company prepared for its 2020 submittal to the CDP Climate Change Disclosure and for presentation in the Company’s 2020 Corporate Impact Report. These amounts have been prepared based on the criteria established by the World Resources Institute/ World Business Council for Sustainable Development’s The Greenhouse Gas Protocol¹: A Corporate Accounting and Reporting Standard, Revised Edition. The Company additionally uses source specific calculation methodologies established by the Climate Registry: General Reporting Protocol, Version 2.1, and the United States Environmental Protection Agency Mandatory Reporting of Greenhouse Gases: Subpart C.

Note 2 — Operational Boundary (Acquisitions, and Divestitures and Organic Changes):

In 2019 the Longmont, Colorado facility became operational and was added to the operational boundary of the Company through organic growth. There were no acquisitions or divestitures of facilities or other changes to the operational boundary. Therefore, the 2019 boundary was only impacted by the addition of Longmont and there were no impacts to the 2014 reporting scope and boundary.

Note 3 — Mobile Emissions:

Emissions from all vehicles are included in both 2019 and 2014. Under the selected reported boundary (financial control approach) only those vehicles under capital or finance leases are

required to be included. However, due to informational gaps in historical data, specific lease types were indeterminable in 2014, and therefore, the Company continues to report emissions from all vehicles, including those that are leased for consistency.

Note 4 — 2014 Recalculation:

The 2014 baseline recalculation has been primarily impacted since 2014 by divestitures occurring in 2015 and 2018 as well as the Big Heart acquisition (included beginning in 2017) and the Ainsworth Pet Nutrition acquisition (included beginning in 2018) in accordance with the GHG Protocol criteria on recalculations for structural changes. The greenhouse gas eGRID emission factors were updated for the most recent release (2020). These transactions and updates required the 2014 baseline data to be recalculated using the 2014 eGRID emission factors for applicable comparisons to current period information.

Note 5 — Measurement Uncertainties:

The Subject Matter is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

Independent Accountants’ Review Report

Board of Directors and Shareholders
The J.M. Smucker Company

We have reviewed the Schedule of Total Water Withdrawal (the “Subject Matter”) included in Exhibit B and as presented in The J.M. Smucker Company (the “Company”) 2020 submittal to the CDP (formerly the Carbon Disclosure Project) Water Disclosure and for presentation in the Company’s 2020 Corporate Impact Report (the “Reports”) for the year ended December 31, 2019 as well as the baseline for the year ended December 31, 2014 in accordance with the Company’s criteria set forth in Exhibit B (the “Criteria”). We did not review all information included in the Reports. We did not review the narrative sections of the Reports, except where they incorporated the Subject Matter. The Company’s management is responsible for the Subject Matter included in Exhibit B and as also presented in the Reports, in accordance with the Criteria. Our responsibility is to express a conclusion on the Subject Matter based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) AT-C section 105, Concepts Common to All Attestation Engagements, and AT-C section 210, Review Engagements. Those standards require that we plan and perform our review to obtain limited assurance about whether any material modifications should be made to the Subject Matter in order for it to be in accordance with the Criteria. A review consists principally of applying analytical procedures, making inquiries of persons

responsible for the Subject Matter, obtaining an understanding of the data management systems and processes used to generate, aggregate and report the Subject Matter and performing such other procedures as we considered necessary in the circumstances. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether the Subject Matter is in accordance with the Criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. A review also does not provide assurance that we became aware of all significant matters that would be disclosed in an examination. We believe that our review provides a reasonable basis for our conclusion.

In performing our review, we have also complied with the independence and other ethical requirements set forth in the Code of Professional Conduct and applied the Statements on Quality Control Standards established by the AICPA.

The Subject Matter is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

Based on our review, we are not aware of any material modifications that should be made to the Schedule of Total Water Withdrawal for the years ended December 31, 2019 and 2014, in order for it to be in accordance with the Criteria.



June 19, 2020

Exhibit B
Management’s Assertion

Management’s Schedule of the Subject Matter and Criteria:

The J. M. Smucker Company
Schedule of Total Water Withdrawal
For the Years Ended December 31, 2019 and 2014

	2019	2014 Recalculated
Water Withdrawal (amount in megaliters)	3,442	4,311
Water Withdrawal (amount in cubic meters)	3,441,516	4,310,642

Note 1 — Basis of Presentation:

The above amounts represent the Total Water Withdrawal of the Company for the years ended December 31, 2019 and 2014 that the Company prepared for its 2020 submittal to the CDP Water Disclosure and for presentation in the Company’s 2020 Corporate Impact Report. These amounts have been prepared based on criteria as established by the Global Reporting Initiative Standard, 303. The boundary for the water calculation was determined in accordance with the World Resources Institute/World Business Council for Sustainable Development’s Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition.

Note 2 — Operational Boundary (Acquisitions, and Divestitures and Organic Changes):

In 2019 the Longmont, Colorado facility became operational and was added to the operational boundary of the Company through organic growth. There were no acquisitions or divestitures of facilities or other changes to the operational boundary. Therefore, the 2019 boundary was only impacted by the addition of Longmont and there were no impacts to the 2014 reporting scope and boundary.

Note 3 — 2014 Recalculation:

The 2014 baseline recalculation has been primarily impacted since 2014 by divestitures occurring in 2015 and 2018 as well as the Big Heart acquisition (included beginning in 2017) and the Ainsworth Pet Nutrition acquisition (included beginning in 2018) in accordance with the GHG Protocol criteria on recalculations for structural changes. These transactions and updates required the 2014 baseline data to be recalculated for applicable comparisons to current period information.

Note 4 — Measurement Uncertainties:

The Subject Matter is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

Forward Looking Statements

This Corporate Impact Report includes certain forward-looking statements about the Company’s business and the Company’s future business plans, initiatives, and objectives. These forward-looking statements are based on the Company’s current expectations, estimates, assumptions, and beliefs concerning future events, conditions, plans, and strategies and are subject to a number of risks, uncertainties, and other factors, many of which are outside of the Company’s control and could cause actual results to differ materially from such statements. These risks and uncertainties include, but are not limited to, those described under “Risk Factors” in reports and statements filed by the Company with the U.S. Securities and Exchange Commission. The Company does not undertake any obligation to update or revise these forward-looking statements to reflect new events or circumstances.

The J. M. Smucker Company is the owner of all trademarks referenced herein, except for the following, which are used under license: *Dunkin’*® and *Dunkin Donuts*® are trademarks of DD IP Holder LLC, and *Rachael Ray*® is a trademark of Ray Marks II LLC.

The *Dunkin’*® and *Dunkin Donuts*® brands are licensed to The J. M. Smucker Company for packaged coffee products sold in retail channels such as grocery stores, mass merchandisers, club stores, e-commerce and drug stores. This information does not pertain to products for sale in *Dunkin’*® restaurants.



THE J.M. SMUCKER CO.