



THE J.M. SMUCKER Co

2026 Consumer Analyst Group of New York (CAGNY) Prepared Remarks

February 18, 2026

CORPORATE PARTICIPANTS

Mark Smucker, Chief Executive Officer, President and Chair of the Board

Tucker Marshall, Chief Financial Officer | Executive Vice President, Frozen Handheld and Spreads and Sweet Baked Snacks

MARK SMUCKER, CHIEF EXECUTIVE OFFICER, PRESIDENT AND CHAIR OF THE BOARD

It is a pleasure to be here today. Thank you to everyone for coming. We are really pleased to talk about The J.M. Smucker Company and how we continue to advance our strategy.

And as always, please note that certain information provided today is forward-looking based on current views and assumptions. Also, we use non-GAAP results for the purpose of evaluating performance internally. Details for both items can be found in the slides for today's presentation, available on our investor relations website.

Joining me today is Tucker Marshall, Chief Financial Officer | Executive Vice President, Frozen Handheld and Spreads and Sweet Baked Snacks, who will follow my remarks with an overview of our financial strategy and priorities.

I will begin with the changes to the leadership structure that we announced last week. These changes are designed to support the continued execution of our long-term growth strategy, further the momentum of our portfolio of leading brands, and enhance profitability and earnings. In particular, we have aligned our business segments under Tucker and Rob Ferguson, two proven leaders with extensive strategic, financial, and operational experience, who will advance these objectives. I have complete confidence in them as they step into their expanded roles.

The theme of our presentation is to build on these objectives and make three distinct elements clear:

- First, we have a clear strategy to drive growth and achieve our long-term financial algorithm. Over the past several years, we have fundamentally transformed the Company. We have a strong portfolio of brands that participate in attractive categories and play key roles in the life of the consumer;
- Second, we are highly focused on driving improved profitability and earnings growth across the Company. We anticipate significant margin expansion in the near term and have identified long-term opportunities across the Company through our Transformation Office;
- And, third, we remain committed to a disciplined capital deployment model with a focus on organic growth opportunities, debt paydown, and shareholder return in the form of dividends and share repurchases, while maintaining our current investment-grade debt ratings.

Throughout our history, we have continued to evolve the Company, while maintaining what has always made us unique. Today, we are a leader in the consumer goods space with over \$9 billion in anticipated net sales this fiscal year, with a portfolio primarily focused on North America. Our portfolio includes leading and iconic brands, alongside higher-growth brands that enhance our momentum — enabling consistent and balanced growth across the portfolio. Over 95% of our U.S. Retail channel sales come from categories where we hold either the #1 or #2 branded position, underscoring the strength of our portfolio. We participate in the highly attractive categories of coffee, snacking, and pet.

We have transformed our portfolio through a focused strategy centered around engaging and delighting consumers by participating in attractive categories, building brands consumers love, and being everywhere consumers shop. This approach has created a complementary and cohesive portfolio across the Company, supported by our enterprise-wide marketing capabilities, disciplined commercial execution, and an integrated manufacturing and supply chain network.

Our strategy is working and we are delivering top-line growth and increasing market share:

- We anticipate delivering strong comparable net sales growth this fiscal year, our seventh consecutive year of top-line growth when excluding contract manufacturing sales related to the divested pet food brands;
- Nearly two-thirds of our portfolio is growing or maintaining dollar share, while over three-fourths of the portfolio is growing or maintaining volume share in measured retail channels; And
- We have renewed our focus on innovation and anticipate approximately \$300 million in net sales this fiscal year from new products launched this year and last, an increase of approximately 35% versus the same time frame in the prior year.

In addition to the strong top-line performance, we are focused on improving profitability and earnings growth across the Company. The recent leadership changes further support these efforts, including the creation of the Chief Product Supply Officer role and the updated alignment of our business segments under the strategic leadership of Tucker and Rob.

In the near term, we see opportunities to expand margins for both U.S. Retail Coffee and Sweet Baked Snacks. In Coffee, we will not fully recover green coffee tariff costs incurred in fiscal year 2026. However, given the recent changes to U.S. trade policy to exclude tariffs on green coffee, we will lap these costs next fiscal year. Additionally, we are now starting to see moderation in green coffee futures supported by positive signs for next year's crop. Given the pass-through nature of the coffee category, during a period of sustained deflation, we have historically lowered prices and total profit has benefited from the favorable impact. In Sweet Baked Snacks we will continue to make progress towards improving profitability. We have now completed the closure of the Indianapolis manufacturing facility, which will deliver approximately \$10 million in cost savings this fiscal year and \$30 million annually.

Long term, our Transformation Office will continue to deliver savings across the Company that will contribute to achieving our operating income growth expectations, when building upon top-line growth. The Transformation Office is driving ownership and accountability for the execution of cost and productivity initiatives. We view transformation activities as a permanent part of our operating model and have established a roadmap of initiatives that will deliver ongoing benefits to the business.

Driven by our transformed portfolio and margin expansion opportunities, we expect to generate over \$1 billion in free cash flow annually, over the long term. With this improved cash generation, we are committed to a disciplined capital deployment model — prioritizing organic growth opportunities, debt paydown, and shareholder return in the form of dividends and share repurchases. While we have historically evaluated growth opportunities through acquisitions, this is not an active strategic focus today. Instead, our attention is firmly on driving sustainable organic growth. Let me now share several examples of how we are advancing our growth strategy and positioning each of our businesses for long-term success.

Starting with the Coffee segment, where our portfolio continues to exceed our expectations. Coffee is a strong and resilient category because it is more than just a beverage — it is a ritual for our consumers who genuinely love it. Three out of four adult Americans drink coffee, and it is not something that they are willing to go without. At-home coffee represents approximately 70% of all coffee drinking occasions, and our portfolio provides an affordable price-per-serving as an alternative to other beverage experiences such as the coffee shop, among others. This benefits us as the leader in at-home coffee, with a portfolio that features three of the top eight brands in the category: *Folgers*[®], *Dunkin*[®], and *Café Bustelo*[®]. Within our portfolio, we continue to see growth and profit opportunities for the iconic *Folgers*[®] and *Dunkin*[®] brands, though our largest opportunity is the *Café Bustelo*[®] brand.

Café Bustelo[®] continues to be one of the fastest-growing brands in the at-home coffee category. This fiscal year, we expect the brand to surpass \$500 million in net sales, an increase of more than \$100 million versus the prior year, driven by both volume and pricing. This strong growth is the result of a strategy centered around expanding the brand's broad, national appeal through distribution gains, our distinctive and unique "Está Aquí" marketing campaign, and delivering innovation that meets the needs of the consumer.

The *Café Bustelo*[®] brand is outpacing the category across all generations and ethnicities, which reflects our strategy of becoming more accessible and expanding our consumer base. Most notably, the *Café Bustelo*[®] brand is experiencing strong growth among Gen Z and Millennials. Our innovation strategy is further fueling this momentum. Last summer, we introduced new roast profiles to expand the brand from its traditional espresso brew to blends that can be brewed more easily in traditional drip brewers, appealing to younger, more diverse buyers while remaining inspired by its Latin roots.

We are also expanding into convenient cold coffee formats to drive incremental consumption occasions. Last fall, we launched *Café Bustelo*[®] ready-to-drink single-serve beverages, which we have available at our coffee bar this week. Early results have been positive, and we are expanding distribution to select retailers with further distribution plans already in place.

Looking forward, we have strong ambitions for the *Café Bustelo*[®] brand to become a top four brand in the at-home coffee category, and the brand is well on its way to achieving this goal. Now shifting to the iconic *Folgers*[®] and *Dunkin*[®] brands.

For the *Folgers*[®] brand, we have evolved our media strategy in recent years to over-index with younger consumers, driving relevance and growth through premium varieties such as *Folgers*[®] Black Silk, which offers a darker, smoother experience. Our actions are resonating with consumers; *Folgers*[®] continues to be the #1 brand in total volume share and the #1 brand in total buyers among younger generations in the at-home coffee category. Building on this momentum, we are launching a new national media campaign that reimagines our jingle in a way that resonates deeply with audiences of all ages, but especially with younger coffee drinkers. Let's take a look.

(*Folgers*[®] Commercial)

"The best part of wakin' up"[®] continues to be defined by the *Folgers*[®] brand, and we are excited to share our story with the next generation of coffee drinkers.

For the *Dunkin*[®] brand, we introduced a new campaign, Iconic Home, which resonates strongly with consumers through its unique approach that reminds them that *Dunkin*[®] at home is for everyone — every moment and every mood. Alongside this campaign, we are launching new packaging and are expanding the portfolio to meet the growing consumer demand for bolder roasts. While the *Dunkin*[®] brand's lineup has historically leaned toward light and medium roasts, we are now introducing medium dark and dark roast offerings.

We are launching *Dunkin*[®] Twilight and *Dunkin*[®] Bold Blend, two new roasts that deliver the bold cup of coffee that consumers are increasingly seeking. These offerings will begin shipping this spring.

Next, our Frozen Handheld and Spreads business, where we have transformed the portfolio to focus on our largest growth opportunity, the *Uncrustables*[®] brand, and our leading spreads portfolio with *Jif*[®] peanut butter and *Smucker's*[®] fruit spreads.

The *Uncrustables*[®] brand has grown at an impressive 20% CAGR over the past ten fiscal years, and we continue to see a strong runway for growth ahead. This fiscal year, we expect to achieve our \$1 billion annual net sales aspiration for the *Uncrustables*[®] brand.

The *Uncrustables*[®] brand is the leader in the frozen snacks and sandwiches category and the brand is growing households with key demographics — including age, ethnicity, and income cohort. Notably, the brand continues to over-index to households with kids and Millennials. We are creating a truly iconic brand with widespread, multi-generational appeal, which will soon be a top three brand in the total frozen department. The most exciting part? We aren't done innovating yet, take a look.

(*Uncrustables*[®] Video)

Consumers wanted to be able to enjoy their *Uncrustables*[®] sandwiches right away, without waiting for thaw time, and we are innovating to meet their needs. Now in addition to being kept in the freezer, all *Uncrustables*[®] sandwiches will also be able to be kept fresh in the fridge for up to five days, making it easier to enjoy at a moment's notice. Consumer insights are promising — 50% of non-users said they are more likely to try *Uncrustables*[®] sandwiches now, and 72% of current users said they expect to buy more of them. Our new fridge friendly *Uncrustables*[®] sandwiches will be available across all flavors starting this summer.

Our innovation is also expanding beyond the lunchbox to a new morning occasion, through our new offerings of *Uncrustables*[®] sandwiches with 12 grams of protein, *Up & Apple*[™] and *Bright-Eyed Berry*[™]. These new varieties access an entirely new daypart for the *Uncrustables*[®] brand focused on breakfast and morning snacking, while also meeting the needs of consumers who are increasingly prioritizing protein throughout the day. Morning protein *Uncrustables*[®] sandwiches are off to a strong start, take a look at some of our newest fans.

(*Uncrustables*[®] Video)

Given the momentum, we plan to further expand the morning protein *Uncrustables*[®] sandwiches platform this spring with a new blueberry flavor.

As we look to expand availability, the convenience channel offers a unique opportunity for an immediate consumption occasion. Though relatively new, we have tripled monthly sales for the *Uncrustables*[®] brand in this channel versus the prior year. *Uncrustables*[®] sandwiches are in the top 10% of fastest-growing brands in dollars and units, across all categories in the convenience channel, and we expect to double the number of convenience stores we are already in, over time. With the success of grape and strawberry varieties over the last year, many of our current retailers are looking to add additional varieties.

These actions support our broader strategy to make *Uncrustables*[®] sandwiches available everywhere and for every occasion.

Now turning to our category-leading peanut butter and fruit spreads portfolio, where we remain well positioned in resilient categories that perform across economic environments. Our Spreads business is in approximately 65 million households, and our brands hold the #1 share positions in these categories. *Jif*[®] peanut butter and *Smucker's*[®] fruit spreads continue to be meaningful cash generators for the Company. As we look ahead, we remain focused on driving profitability while modernizing our spreads business through new innovation and go-to-market approaches to support sustained growth.

For the *Jif*[®] brand, we are launching a new line specifically designed to meet the evolving health preferences of today's consumers. *Jif*[®] *Simply*[™] offers the strong brand equity of *Jif*[®] peanut butter in a limited ingredient, simple recipe with a taste consumers love. The new *Jif*[®] *Simply*[™] line has already received strong retailer acceptance and is in stores now.

For *Smucker's*[®] fruit spreads, we are modernizing the iconic product with a new, fresh label redesign, intentionally connecting our fruit spreads to our full portfolio of *Smucker's*[®] branded products, including *Uncrustables*[®]. We are excited to introduce the first redesign in nearly 30 years in the spring of this year.

We see a clear opportunity to modernize our spreads portfolio and to elevate everyday meal and snack occasions. In fiscal year 2027, we will launch new marketing for the *Jif*[®] and *Smucker's*[®] brands focused on modern eating moments — spotlighting how consumers use our spreads beyond the traditional PB&J to drive growth through new usage occasions.

For our Pet segment, we have leading brands in *Milk-Bone*[®] dog snacks and *Meow Mix*[®] cat food. Both segments remain highly attractive, supported by favorable category tailwinds, including:

- Pet population trends, where we expect to see both dog and cat population growth over the long term;
- The continued humanization of pets, leading pet parents to treat their pets like members of their family, driving further premiumization opportunities;
- And, e-commerce trends, a channel that continues to see strong growth, and aligns with evolving consumer preferences, which benefits our portfolio.

We will continue to build on these favorable category dynamics by leveraging our proven brand-building model and strong track record of innovation to further accelerate growth.

Starting with the *Milk-Bone*[®] brand, we are modernizing packaging to better highlight key product benefits. New *Milk-Bone*[®] biscuit packaging, now appearing on shelf, features updated communication on protein content and other functional attributes that are increasingly important purchase drivers. We are applying the same approach to *Milk-Bone*[®] *Brushing Chews*[®], refreshing graphics to bring their functional dental benefits forward while maintaining a familiar design that supports strong brand recognition. These enhancements are intended to reinforce the brand's leadership in the category by strengthening our core consumer value proposition and driving stronger product differentiation.

Turning to innovation, we are increasing our premium offerings through our *Milk-Bone*[®] Peanut Buttery Bites platform, which was the #1 dog snacks launch over the last four years. Consumers love this unique collaboration between the #1 brand in dog snacks and the #1 brand in peanut butter, and we are excited to announce the expansion of this platform with a new treat made with real *Jif*[®] peanut butter, take a look.

(*Milk-Bone*[®] Video)

Milk-Bone[®] Peanut Buttery Cups will expand the platform and launch next month.

Finally, in dog snacks, the e-commerce channel continues to deliver strong growth and now represents one-third of the total dog snacks category. The *Milk-Bone*[®] brand is performing exceptionally well in this critical channel, growing 14% over the latest 13-week period, while outpacing the overall category. To build on this momentum, we are enhancing and optimizing our digital content to improve searchability and are launching more e-commerce friendly value sizes across the *Milk-Bone*[®] brand.

Shifting to cat food, the *Meow Mix*[®] brand continues to have strong momentum, and we still have significant runway to grow this iconic brand. Even as a leading brand in the category, the brand only has an 8% dollar share, underscoring the significant growth potential in this attractive category.

In dry cat food, the *Meow Mix*[®] brand is the leader in dollar and volume share and household penetration. Last year, we modernized our core offerings to maximize growth with new households and offer cat parents mainstream options. We enhanced our formulas and refreshed packaging to showcase taste and health benefits in a more modern design, now in market. These changes are resonating with consumers, as sales growth for the *Meow Mix*[®] brand continues to outpace the category.

Consumer-led innovation has also played a pivotal role in this growth. *Meow Mix*[®] *Gravy Bursts*[™] combines the convenience of dry food with the excitement and taste of wet food. The offering continues to exceed expectations and was the #1 dry innovation launch in the category in 2025. Building on this success, we are expanding the platform with Gravy Bursts Salmon Flavor and Gravy Bursts Flavored Chicken Treats, which are now in stores.

Beyond dry cat food, we remain excited about our long-term opportunity to grow across the wet cat food and cat treats categories. We are significantly underdeveloped in this roughly \$11 billion and growing space, and we continue to evaluate opportunities to leverage the unique equity of the *Meow Mix*[®] brand and our deep understanding of consumer behavior to meaningfully expand our presence.

Finally, our Sweet Baked Snacks segment, where we have a leading position in the sweet baked goods category. The path to stabilization is taking longer than we expected, but our focus remains on positioning the *Hostess*[®] brand for eventual growth through disciplined execution of our three priorities: strengthening the portfolio, elevating our execution, and reigniting sustainable growth. Let me walk through the near-term actions we are taking:

- We are reducing our SKU count by 25% to simplify our offerings, as we prioritize high-velocity and margin-accretive SKUs. The majority of this work is now complete, and we anticipate the benefits from operational efficiency and improved customer service to largely benefit next fiscal year;
- Additionally, we have closed our Indianapolis manufacturing facility, which will deliver approximately \$10 million in cost savings this fiscal year and \$30 million annually;
- Finally, we have made the strategic decision to reduce promotional activity from January to the end of the fiscal year for the Sweet Baked Snacks segment, as we work to improve our operations and evaluate where the greatest return on investment will be for the brand going forward.

While these actions will strengthen the segment and support long-term growth and margin expansion, they are creating near-term volatility in volume and profitability this fiscal year that is greater than originally contemplated. As these actions progress, we expect performance to improve over time.

At the same time, we continue to position the brand for sustained growth through our culturally relevant marketing and by bringing consumer-led innovation to market across our portfolio icons, including *Donettes*[®], Cupcakes, and *Twinkies*[®].

Within *Hostess*[®] *Donettes*[®], which now represents approximately 40% of the segments sales, we are driving brand excitement through new flavors and formats, including the recent launch of *Donettes*[®] Churro Mini Donuts. Churro-inspired varieties are gaining broad consumer appeal and are a natural extension of the brand's equity. Next month, we will introduce a new frosted sharing size, building on the strong performance of our existing sharing formats. These offerings over-index to younger sweet snackers relative to the brand and demonstrate faster purchase cycles than multi-packs, reinforcing the expandable consumption opportunity. *Hostess*[®] *Donettes*[®] continue to outperform the broader sweet baked goods category, as the brand benefits from the growing A.M. occasion and evolving consumer preferences around convenience and portability. We expect this momentum to continue as the convenience channel stabilizes — an important driver of A.M. occasions and where the *Hostess*[®] brand holds a leading share.

In *Hostess*[®] Cupcakes, we recently launched a mini variety designed to meet consumer demand for bite-sized portions and permissible indulgence. They continue to be highly incremental to the brand and we are supporting *Hostess*[®] Cupcakes Minis with dedicated media assets.

Finally, limited time offerings remain key across the portfolio as we continue to infuse the brand into today's culture. One great example is our recent partnership with the movie *Wicked: For Good*, where we launched limited edition cupcakes and leveraged a multi-outlet marketing approach to engage consumers. Holidays also continue to drive incremental occasions for the brand, and we have a strong Valentine's Day lineup across our portfolio.

Looking ahead, progress on our strategy continues to take time. We remain focused on disciplined execution across the portfolio and improved profitability as we work to stabilize performance for the Sweet Baked Snacks segment.

In closing, we are uniquely positioned in attractive categories with a portfolio that spans leading, iconic brands as well as higher-growth brands. We are highly focused on driving profitability and earnings growth across the Company and generating free cash flow. I am confident we have the right strategy and the right leaders in place to create value for our shareholders.

With that, I'll turn it over to Tucker.

TUCKER MARSHALL, CHIEF FINANCIAL OFFICER | EXECUTIVE VICE PRESIDENT, FROZEN HANDHELD AND SPREADS AND SWEET BAKED SNACKS

Thank you, Mark, and good afternoon everyone. It's great to be with you at this year's CAGNY conference.

As Mark outlined, the Company is entering its next chapter of growth with a transformed portfolio, clear strategy, and strong momentum across the business. Our focus is on ensuring that this momentum translates into sustainable earnings growth, strong cash generation, and disciplined capital allocation that creates long-term value for our shareholders.

We are pleased with the performance of our portfolio through the first half of our fiscal year, particularly given the dynamic and evolving external environment. Next Thursday, we look forward to providing an update on our third-quarter financial results, along with our full-year outlook, which we expect to maintain. Our earnings momentum this fiscal year is setting us up for an algorithm year, or potentially better, in fiscal year 2027, absent any significant changes.

We continue to focus on driving the Company's growth strategy, while maintaining financial discipline across the organization. This focus is anchored by our financial priorities, which are the following:

- Active and transparent communication. Clear and consistent communication with our constituents remains the cornerstone of our approach;
- Consistent execution toward credible financial targets. We are committed to delivering against our long-term financial algorithm, with both accountability and transparency;
- A focus on productivity and cost initiatives. Our Transformation Office is central to these efforts, driving ongoing cost savings that expand margins and fund investments in our brands and capabilities;
- Prioritization of the highest and best return on investment opportunities. We are allocating resources to the areas of our portfolio where we have a "right to win" and the greatest opportunity to create long-term value; and finally,
- A balanced capital deployment model. We remain disciplined in how we deploy cash, balancing reinvestment in the business, debt reduction, and a return to shareholders through dividends and share repurchases.

Together, these priorities are the building blocks that position us to deliver consistent net sales and earnings growth, while enhancing margins.

Our strategy and priorities give us confidence in the ability to achieve our long-term financial algorithm, which is comprised of the following:

- Low-single-digit net sales growth;
- Mid-single-digit operating income growth;
- High-single-digit adjusted earnings per share growth;
- And, total shareholder return of approximately 10% or greater when considering our dividend policy.

We see these objectives as steady, compelling, and compounding, including a commitment to a disciplined capital deployment model. Beyond our long-term financial algorithm, we remain committed to our goal of generating over \$1 billion in free cash flow annually. Let us review each of our capital deployment priorities.

First, is fueling the organic growth of our business. While we have historically evaluated growth opportunities through acquisitions, this is no longer an active strategic focus. Instead, our attention is firmly on driving sustainable organic growth and prioritizing resources towards the best opportunities in our current portfolio.

Next, we are committed to debt reduction, with a plan to pay down approximately \$500 million of debt annually this fiscal year and next. With this expected debt reduction and overall business growth, we anticipate a leverage ratio at or below 3.0x net debt to EBITDA by the end of our fiscal year 2027. This level of leverage provides financial flexibility for a balanced approach to capital deployment and the opportunity to consider share repurchases.

Another key component of our capital deployment model is our dividend. We remain committed to our dividend, which has increased at a 6% compounded annual growth rate over the past ten fiscal years. In July, we announced that we increased the dividend for the 24th consecutive fiscal year. We expect our Board to maintain the Company's current dividend policy, which is to return approximately 40% to 45% of our annual adjusted earnings per share to shareholders, reflecting dividend growth consistent with future earnings.

This capital deployment model enables us to reinvest in the business and fund our largest growth opportunities, while delivering sustainable returns for shareholders. We believe a total shareholder return of approximately 10% or greater is achievable over the long term when considering our next chapter of growth and margin outlook.

There are significant opportunities for the Company ahead, and we will continue to take the necessary actions that strengthen our future growth prospects, while making progress against our commitment to margin expansion and earnings growth. Our strategy and execution will enable the Company to deliver shareholder value as we move forward.

In closing, I would like to express my sincere appreciation for our employees. Their commitment to executing with excellence, and their passion for our Company positions us for continued success.

Thank you for your time today.

ADDITIONAL INFORMATION

The J.M. Smucker Co. is the owner of all trademarks referenced herein, except for *Dunkin*[®].

The *Dunkin*[®] brand is trademark of DD IP Holder LLC and licensed to The J.M. Smucker Co. for packaged coffee products sold in retail channels such as grocery stores, mass merchandisers, club stores, e-commerce and drug stores, as well as in certain away from home channels. This information does not pertain to products for sale in *Dunkin*[®] restaurants.

Wicked: For Good is a trademark of Universal City Studios LLC., all rights reserved.