THE J.M. SMUCKER Co

BARCLAYS

GLOBAL CONSUMER STAPLES CONFERENCE

September 5, 2023



MARK SMUCKER

Chair of the Board, President
and Chief Executive Officer



FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements, such as projected net sales, operating results, earnings, and cash flows, that are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from any future results, performance, or achievements expressed or implied by those forward-looking statements. Users should understand that the risks, uncertainties, factors, and assumptions listed and discussed in this presentation could affect the future results of the Company and could cause actual results to differ materially from those expressed in the forward-looking statements.

Users are cautioned not to unduly rely on such forward-looking statements, which speak only as of the date made, when evaluating the information presented in this presentation. The Company does not undertake any obligation to update or revise these forward-looking statements to reflect new events or circumstances.

FY24 FINANCIAL OUTLOOK

Provided with Q1 Earnings Release

COMPARABLE NET SALES GROWTH*
8.5% - 9.5%

ADJUSTED EPS
$9.45 - $9.85
+8% YoY at Mid-Point

FREE CASH FLOW
$650M

Positioned to deliver

LONG-TERM GROWTH

*COMPARABLE NET SALES EXCLUDES NET SALES OF $1,522.4 MILLION IN THE PRIOR YEAR RELATED TO THE DIVESTED PET FOOD BRANDS. NET SALES ARE EXPECTED TO DECREASE 10.0% TO 11.0% COMPARED TO THE PRIOR YEAR.

STRONG PORTFOLIO OF BRANDS

BRANDS GROWING OR MAINTAINING SHARE

79%
BASED ON DOLLAR SHARE

83%
BASED ON VOLUME SHARE

OVER 95%

OF U.S. RETAIL SALES
FROM CATEGORIES WHERE WE HOLD THE
#1 OR #2 BRANDED POSITION

DUNKIN'
SMUCKER'S Uncrustables
SMUCKER'S
Folgers
MILK-BONE
CAFÉ BUSTELO
Meow Mix
JIF

SOURCE: SMUCKER INTERNAL MULTI-OUTLET SHARE REPORT 13 WEEKS ENDED JULY 16, 2023.

OUR VISION

Guides Our Strategy

Engage, delight and inspire consumers by building brands they love and leading in growing categories







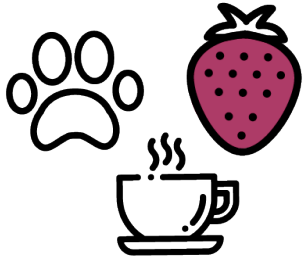
OUR STRATEGY



Win With Superior Execution



Improve Profitability & Cost Discipline



Transform Our Portfolio



Advance Corporate Responsibility, Sustainability, and ID&E



Nurture & Evolve Our Culture

SMUCKER'S Uncrustables®

PATH TO $1B NET SALES

Expand distribution
Canada launch and AFH expansion in first quarter

Turn on demand drivers
Advertising and in-store activations

Increase capacity
Third manufacturing site in McCalla, AL expected to begin operations in 2025





Video Commercials Playing in Room

SMUCKER'S® UNCRUSTABLES®



Top 2 Items in Frozen Handheld

Velocity 3x Freezer Average



Fastest Growing Brand in Category

#1 Repeat Rate

SOURCE: SMUCKER INTERNAL MULTI-OUTLET SHARE REPORT 13 WEEKS ENDED AUGUST 08, 2023.

FUELING FUTURE GROWTH



Expect to grow to

$800 MILLION

in annual net sales this fiscal year



EXPECTED ANNUAL NET SALES

FY24	FY25	FY26
$800M	+$100M	+$100M

FOCUSED PET PORTFOLIO

#1 IN DOG SNACKS



#2 IN CAT FOOD



MILK-BONE

Pup-Peroni

Canine Carry Outs

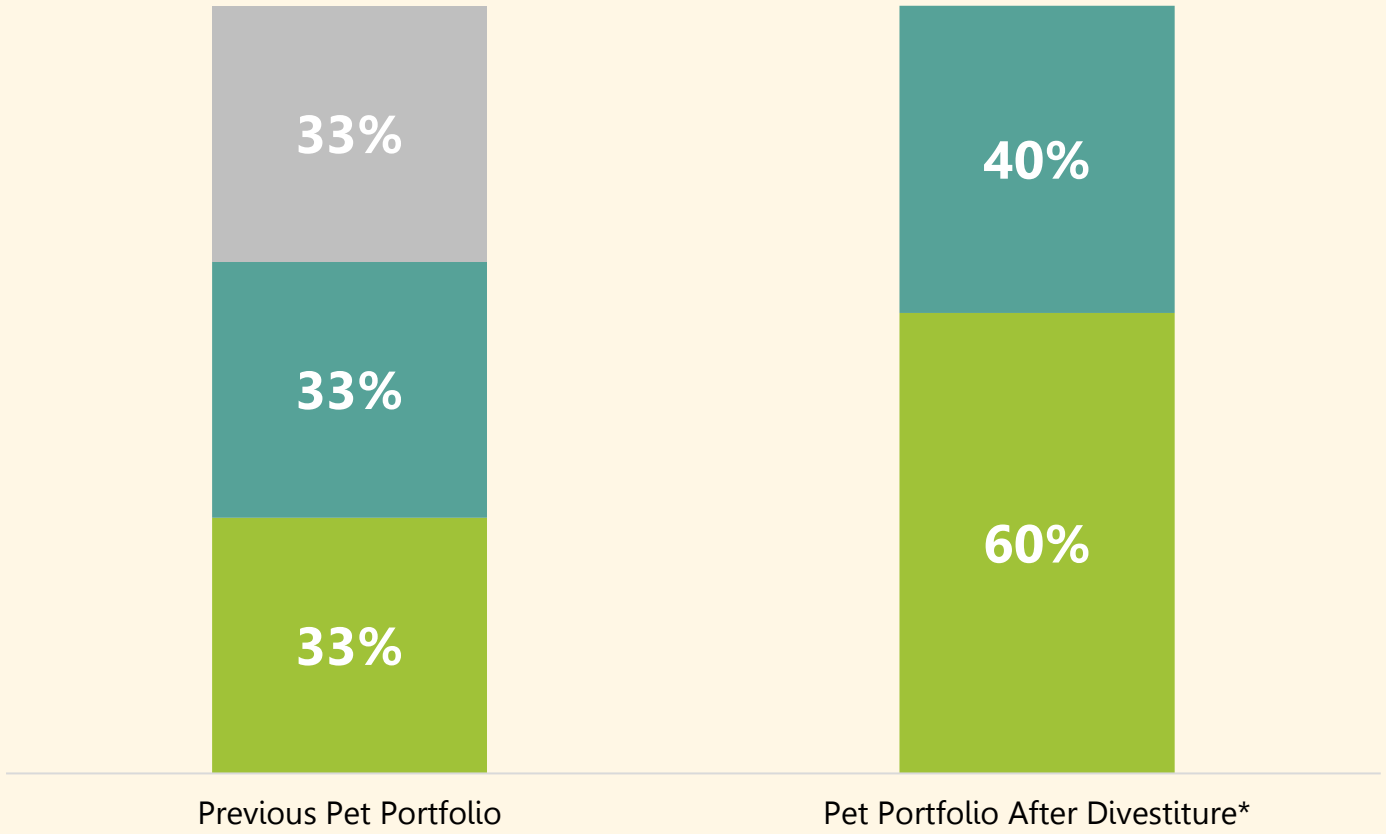
Milo's Kitchen
HOMESTYLE DOG TREATS

Meow Mix

SOURCE: SMUCKER INTERNAL IRI MULTI-OUTLET SHARE REPORT 52 WEEKS ENDED JULY 16, 2023.

IMPROVED PORTFOLIO

PET CATEGORIES
as a % of Net Sales



MARGIN PROFILE

- Pet Snacks
- Cat Food
- Dog Food

DIVESTITURE* IMPROVES MARGIN & MIX

*RELATED TO THE DIVESTITURE OF CERTAIN PET BRANDS CLOSED ON APRIL 28, 2023.

COFFEE PORTFOLIO

#1 U.S. BRANDED AT-HOME COFFEE MANUFACTURER

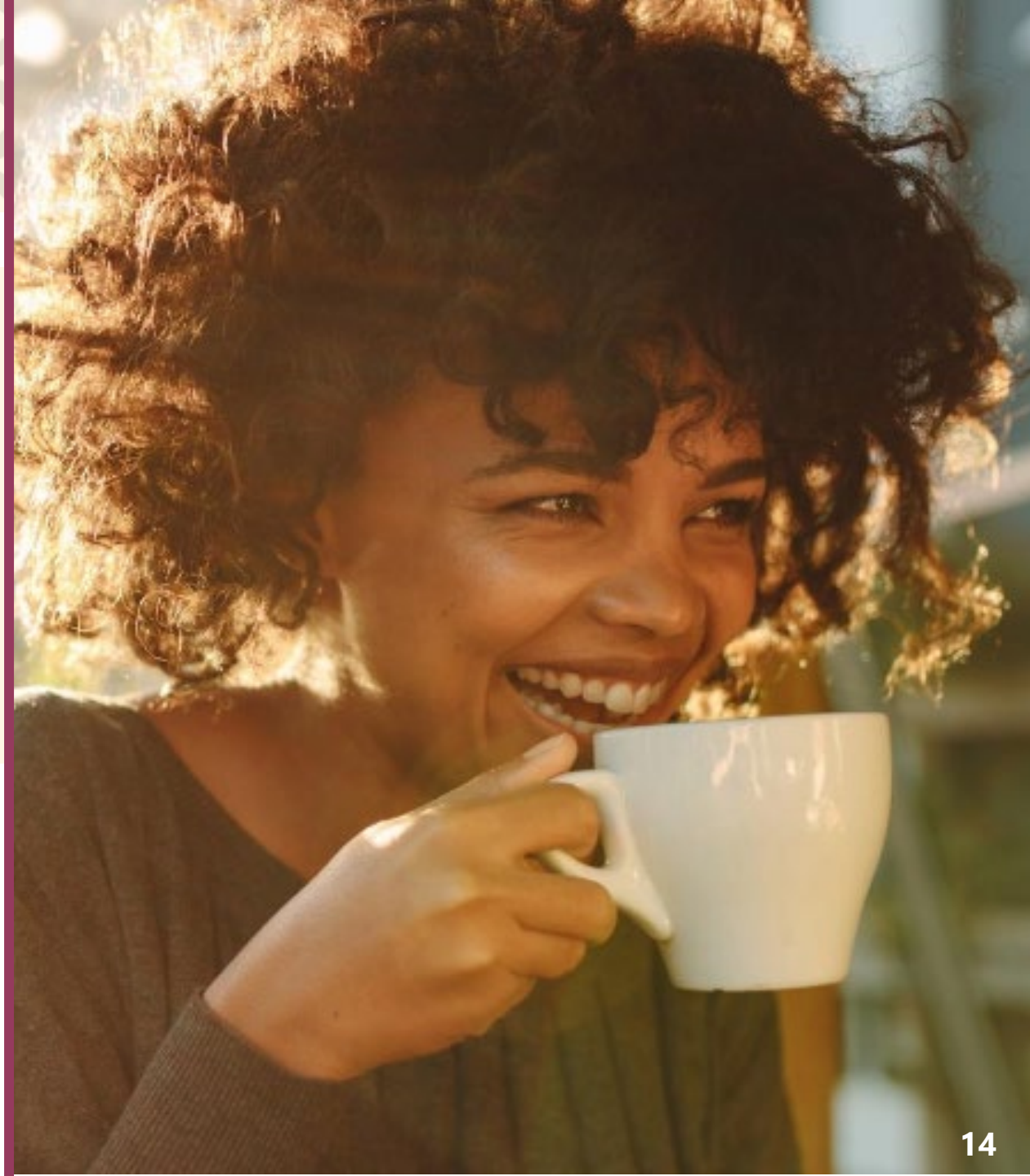
26% Share of Market

3 of TOP 7 coffee brands

DUNKIN'®

CAFÉ BUSTELO®

Folgers®
PROUDLY ROASTED IN NEW ORLEANS



SOURCE: SMUCKER INTERNAL MULTI-OUTLET SHARE REPORT 52 WEEKS ENDED JULY 16, 2023.

GROWTH IN COLD COFFEE



DUNKIN'® COLD BREW

PROVIDES CONVENIENCE

LAUNCHED CONCENTRATES WITH POSITIVE RETAILER ACCEPTANCE





Video Commercials Playing in Room

SHAREHOLDER VALUE CREATION

INVESTMENT IN OUR BRANDS

RESHAPING OUR PORTFOLIO

OPERATIONAL EXCELLENCE AND TOP-LINE GROWTH

POSITIONED TO DELIVER LONG-TERM GROWTH AND SHAREHOLDER VALUE



TUCKER MARSHALL

Chief Financial Officer



FINANCIAL PRIORITIES

CREATE LONG-TERM **SHAREHOLDER VALUE**



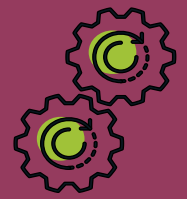
Active & Transparent Communication



Execution to Credible Financial Targets



Prioritizing Highest-Return Opportunities



Maintaining Productivity Focus & Cost Control



Balanced Capital Deployment

Q1 RESULTS & FY24 OUTLOOK

QUARTER RESULTS

Comparable Net Sales*
+21%
Volume/mix growth in each segment

Adjusted Gross Margin
35.7%
+430bps YoY

Adjusted EPS
$2.21
+32% YoY

FULL YEAR OUTLOOK

Comparable Net Sales*
8.5% - 9.5%
Mid-Point: $7.6B | +9% YoY

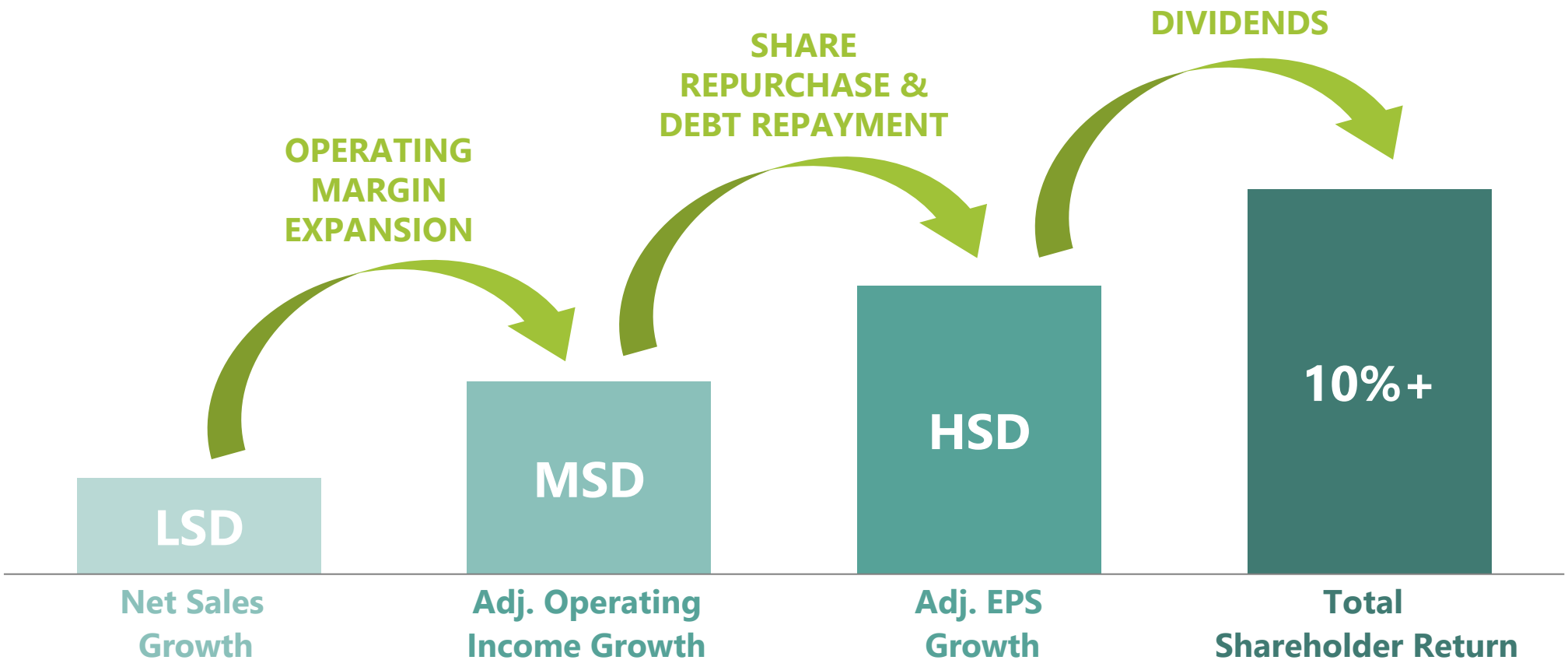
Adjusted Gross Margin
~37.0%
+380bps YoY

Adjusted EPS
$9.45 - $9.85
Mid-Point: $9.65 | +8% YoY

*COMPARABLE NET SALES EXCLUDES NET SALES OF $374.1 MILLION FOR THE FIRST QUARTER AND $1,522.4 MILLION FOR THE FISCAL YEAR IN THE PRIOR YEAR RELATED TO THE DIVESTED PET FOOD BRANDS. NET SALES ARE EXPECTED TO DECREASE 10.0% TO 11.0% COMPARED TO THE PRIOR YEAR.

OUR LONG-TERM OBJECTIVES

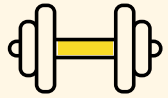
A steady, compelling, and compounding algorithm



NET SALES

LOW-SINGLE-DIGIT

Percentage Growth



Strengthened portfolio



Projected growth in our categories



Improved market share trends

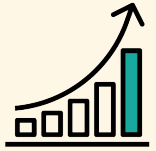


Focused growth initiatives

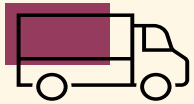
ADJUSTED OPERATING INCOME

MID-SINGLE-DIGIT

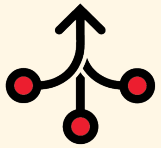
Percentage Growth



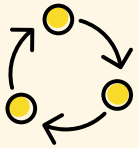
Improved volume / mix



Stabilized supply chain



Benefits from Transformation Office

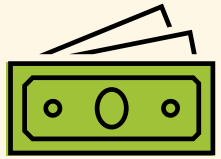


Mitigation of stranded overhead

ADJUSTED EARNINGS PER SHARE

HIGH-SINGLE-DIGIT

Percentage Growth



Expectation for

capital deployment model

to DRIVE GROWTH

TRANSFORMATION

PROGRESS

3-YEAR ROADMAP

ANTICIPATED BENEFITS

- Margin enhancement
- Support of financial targets
- Elimination of stranded overhead

WORKSTREAMS



OPERATIONS



SUPPLY CHAIN



PROCUREMENT



DESIGN TO VALUE



SG&A



NET REVENUE OPTIMIZATION



SALES



MARKETING



INTERNATIONAL & AFH

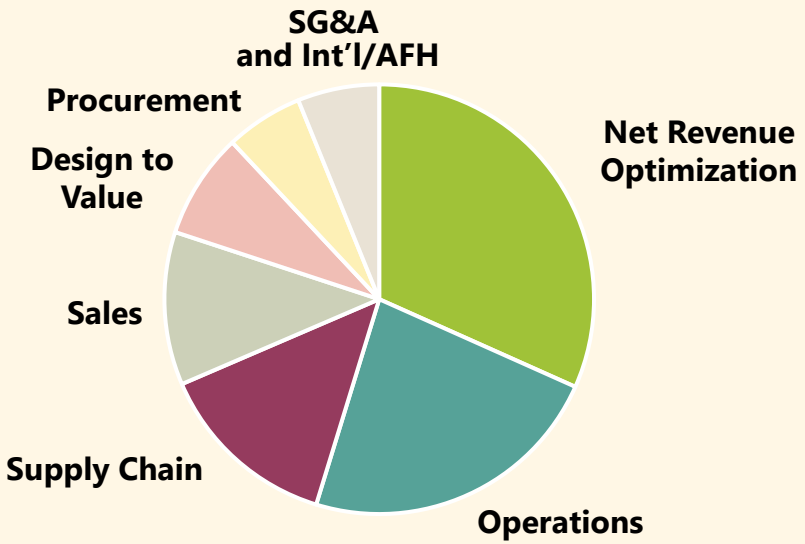
DRIVING OWNERSHIP & ACCOUNTABILITY

450+ INITIATIVES

ENGAGING OVER 700 EMPLOYEES

Realizing benefits this fiscal year

EXPECTED SAVINGS BY WORKSTREAM



BALANCED
CAPITAL DEPLOYMENT MODEL

Capital Expenditures

50%

Strategic Investments



Dividends & Share Repurchases

50%

Debt Repayment

CASH DEPLOYMENT | FY21-FY23

Balanced capital deployment, while maintaining investment grade debt rating

Capital Expenditures

$1.2B

Above net sales target of 3.5% in the near-term to invest in growth expansion projects

Debt Repayment

$1.3B

Paid down and refinanced debt to maintain leverage profile and investment-grade debt rating

Dividend Payments

$1.3B

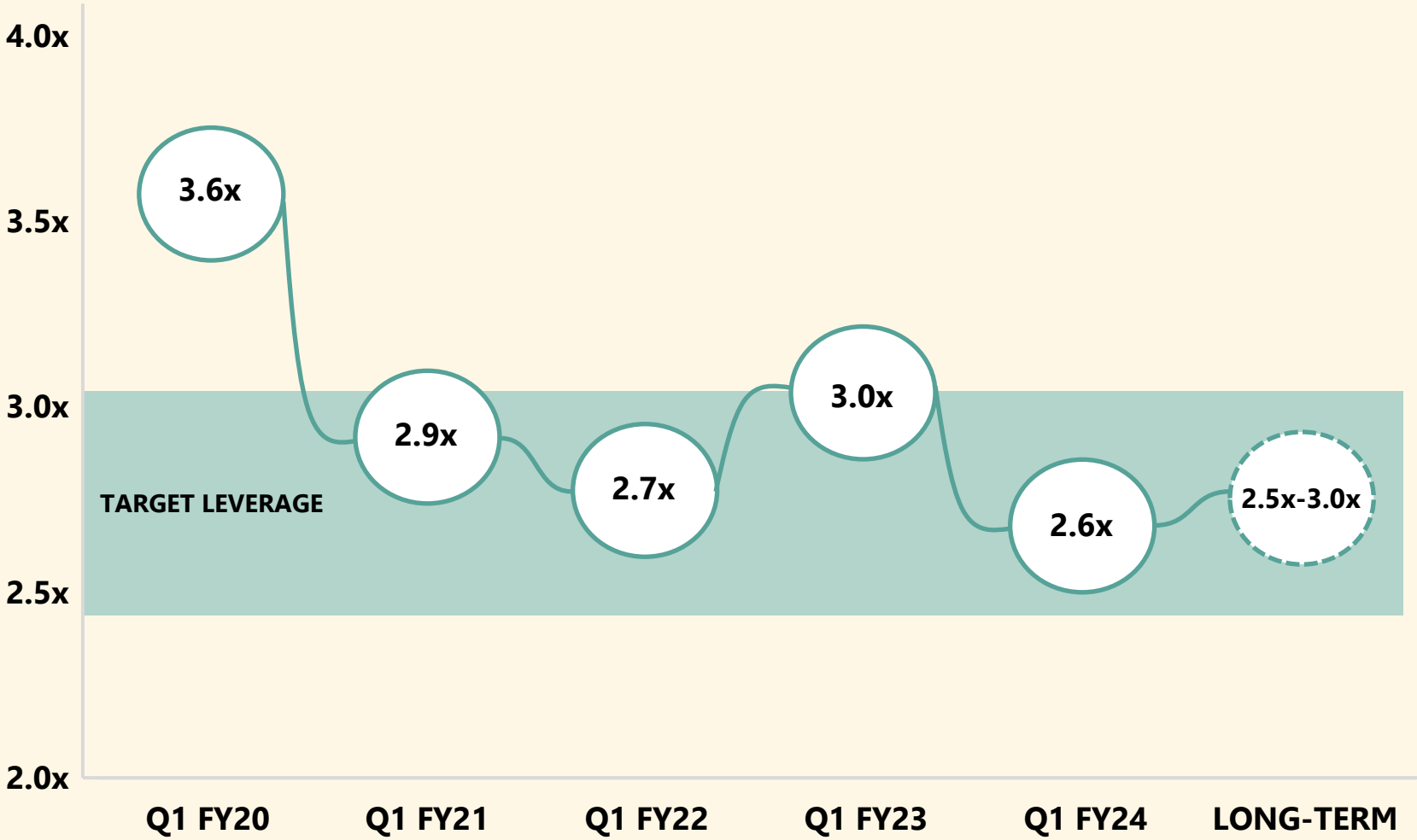
Over 22 consecutive fiscal years of dividend increases and targeting a 40-45% payout

Share Repurchases

$1.3B

Repurchased shares, primarily with divestiture proceeds

DEBT REDUCTION



MAINTAIN INVESTMENT GRADE DEBT RATING

2.5x - 3.0x

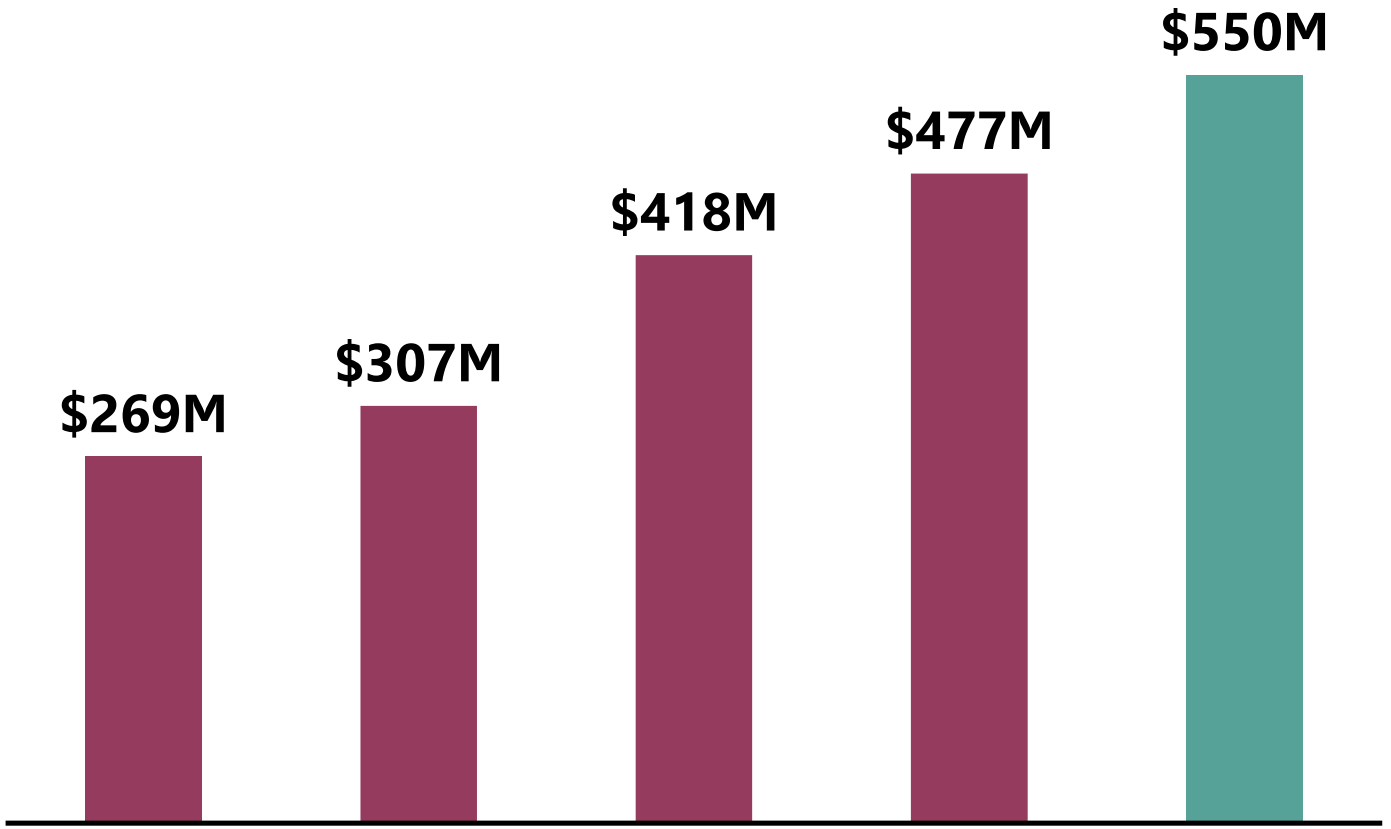
Target Debt Leverage Ratio

CAPITAL EXPENDITURES

LONG-TERM OBJECTIVE

3.5% OF NET SALES

NEAR TERM ELEVATION DUE TO *UNCRUSTABLES*® SANDWICH CAPACITY EXPANSION



*NOTE: BASED ON MIDPOINT OF FY24 NET SALES GUIDANCE PROVIDED ON AUGUST 29, 2023.

TOTAL SHAREHOLDER RETURN

Goal: Consistent top quartile performer in food industry

	1-Year CAGR	3-Year CAGR	5-Year CAGR
SJM	**6%**	**10%**	**10%**
Peer Group Avg.	-10%	1%	5%
S&P Packaged Foods	-4%	2%	4%
S&P 500	14%	10%	11%

DELIVERING LONG-TERM GROWTH AND SHAREHOLDER VALUE



NOTE: DATA AS OF AUGUST 29, 2023. ASSUMES DIVIDENDS ARE REINVESTED.
PEER GROUP INCLUDES CAG, CPB, GIS, HRL, HSY, K, KHC, MKC.



THE J.M. SMUCKER Co

FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements, such as projected net sales, operating results, earnings, and cash flows that are subject to risks and uncertainties that could cause actual results to differ materially from future results expressed or implied by those forward-looking statements. The risks, uncertainties, important factors, and assumptions listed and discussed in this presentation, which could cause actual results to differ materially from those expressed, include: the effect of the sale of certain pet food brands on the Company's ability to retain key personnel and to maintain relationships with customers, suppliers, and other business partners, and any impact to the value of the Company's investment in Post common stock or the Company's ability to dispose of some or all of such securities at favorable market prices; disruptions or inefficiencies in the Company's operations or supply chain, including any impact caused by product recalls (including the *Jif*® peanut butter product recall), political instability, terrorism, armed hostilities (including the ongoing conflict between Russia and Ukraine), extreme weather conditions, natural disasters, pandemics (including the novel coronavirus), work stoppages or labor shortages, or other calamities; risks related to the availability, and cost inflation in, supply chain inputs, including labor, raw materials, commodities, packaging, and transportation; the impact of food security concerns involving either the Company's products or its competitors' products, including changes in consumer preference, consumer litigation, actions by the U.S. Food and Drug Administration or other agencies, and product recalls; risks associated with derivative and purchasing strategies the Company employs to manage commodity pricing and interest rate risks; the availability of reliable transportation on acceptable terms; the ability to achieve cost savings related to restructuring and cost management programs in the amounts and within the time frames currently anticipated; the ability to generate sufficient cash flow to continue operating under the Company's capital deployment model, including capital expenditures, debt repayment, dividend payments, and share repurchases; the ability to implement and realize the full benefit of price changes, and the impact of the timing of the price changes to profits and cash flow in a particular period; the success and cost of marketing and sales programs and strategies intended to promote growth in the Company's businesses, including product innovation; general competitive activity in the market, including competitors' pricing practices and promotional spending levels; the Company's ability to attract and retain key talent; the concentration of certain of the Company's businesses with key customers and suppliers, including single-source suppliers of certain key raw materials and finished goods, and the Company's ability to manage and maintain key relationships; impairments in the carrying value of goodwill, other intangible assets, or other long-lived assets or changes in the useful lives of other intangible assets or other long-lived assets; the impact of new or changes to existing governmental laws and regulations and their application; the outcome of tax examinations, changes in tax laws, and other tax matters; a disruption, failure, or security breach of the Company or their suppliers' information technology systems, including, but not limited to, ransomware attacks; foreign currency exchange rate and interest rate fluctuations; and risks related to other factors described under "Risk Factors" in other reports and statements filed with the Securities and Exchange Commission, including the Company's most recent Annual Report on Form 10-K. The Company undertakes no obligation to update or revise these forward-looking statements, which speak only as of the date made, to reflect new events or circumstances.

NON-GAAP FINANCIAL MEASURES

The Company uses non-GAAP financial measures, including: net sales excluding divestitures and foreign currency exchange; adjusted gross profit; adjusted operating income; adjusted income; adjusted earnings per share; earnings before interest, taxes, depreciation, amortization, impairment charges related to intangible assets, and gains and losses on divestitures ("EBITDA (as adjusted)"); and free cash flow, as key measures for purposes of evaluating performance internally. The Company believes that investors' understanding of its performance is enhanced by disclosing these performance measures. Furthermore, these non-GAAP financial measures are used by management in preparation of the annual budget and for the monthly analyses of its operating results. The Board of Directors also utilizes certain non-GAAP financial measures as components for measuring performance for incentive compensation purposes.

Non-GAAP financial measures exclude certain items affecting comparability that can significantly affect the year-over-year assessment of operating results, which include amortization expense and impairment charges related to intangible assets; certain divestiture, acquisition, integration, and restructuring costs ("special project costs"); gains and losses on divestitures; the net change in cumulative unallocated gains and losses on commodity and foreign currency exchange derivative activities ("change in net cumulative unallocated derivative gains and losses"); and other infrequently occurring items that do not directly reflect ongoing operating results. Income taxes, as adjusted is calculated using an adjusted effective income tax rate that is applied to adjusted income before income taxes and reflects the exclusion of the previously discussed items, as well as any adjustments for one-time tax-related activities, when they occur. While this adjusted effective income tax rate does not generally differ materially from the GAAP effective income tax rate, certain exclusions from non-GAAP financial measures can significantly impact the adjusted effective income tax rate.

These non-GAAP financial measures are not intended to replace the presentation of financial results in accordance with U.S. GAAP. Rather, the presentation of these non-GAAP financial measures supplements other metrics used by management to internally evaluate its businesses and facilitate the comparison of past and present operations and liquidity. These non-GAAP financial measures may not be comparable to similar measures used by other companies and may exclude certain nondiscretionary expenses and cash payments. A reconciliation of certain non-GAAP financial measures to the comparable GAAP financial measure for the current and prior year periods is included in the "Unaudited Non-GAAP Financial Measures" tables. The Company has also provided a reconciliation of non-GAAP financial measures for its fiscal year 2024 outlook.

UNAUDITED NON-GAAP FINANCIAL MEASURES

($ in millions)	Three Months Ended July 31,	
	2023	2022
Gross profit reconciliation:		
Gross profit	$654.8	$552.5
Change in net cumulative unallocated derivative gains and losses	(10.4)	33.8
Cost of products sold – special project costs	-	1.1
Adjusted gross profit	$644.4	$587.4

UNAUDITED NON-GAAP FINANCIAL MEASURES

($ and shares in millions, except per share data)	Three Months Ended July 31, 2023	2022
Net income reconciliation:		
Net income	$183.6	$109.8
Income tax expense	54.8	31.3
Amortization	39.8	55.6
Loss (gain) on divestitures – net	(1.2)	(1.6)
Change in net cumulative unallocated derivative gains and losses	(10.4)	33.8
Cost of products sold – special project costs	-	1.1
Other special project costs	-	1.4
Other infrequently occurring items:		
Unrealized loss (gain) on investment in equity securities (A)	27.4	-
Pension plan termination settlement charge (B)	3.2	-
Adjusted income before income taxes	$297.2	$231.4
Income taxes, as adjusted	70.2	53.3
Adjusted income	$227.0	$178.1
Weighted-average shares – assuming dilution	102.8	106.8
Adjusted earnings per share – assuming dilution	$2.21	$1.67

(A) Unrealized loss (gain) on investment in equity securities includes unrealized gains and losses on the change in fair value on the Company's investment in Post common stock and the related equity forward contract.

(B) Represents the nonrecurring pre-tax settlement charge recognized during the first quarter of 2024 related to the acceleration of prior service cost for the portion of the plan surplus to be allocated to plan members within out Canadian defined benefit plans, which is subject to participant and regulatory approval before a payout can be made.

UNAUDITED NON-GAAP FINANCIAL MEASURES

($ in millions)	Three Months Ended				TTM Ended
	October 31, 2022	January 31, 2023	April 30, 2023	July 31, 2023	July 31, 2023
EBITDA (as adjusted) reconciliation:					
Net income	$191.1	$208.5	($600.7)	$183.6	($17.5)
Income tax expense	61.8	66.9	(77.9)	54.8	105.6
Interest expense – net	39.7	37.9	35.3	32.1	145.0
Depreciation	57.1	59.8	52.1	50.2	219.2
Amortization	55.6	55.6	40.1	39.8	191.1
Loss (gain) on divestitures – net	-	-	1,020.1	(1.2)	1,018.9
EBITDA (as adjusted)	$405.3	$428.7	$469.0	$359.3	$1,662.3

Note: Amounts may not add due to rounding

UNAUDITED NON-GAAP FINANCIAL MEASURES

($ in millions)	Three Months Ended				TTM Ended
	October 31, 2021	January 31, 2022	April 30, 2022	July 31, 2022	July 31, 2022
EBITDA (as adjusted) reconciliation:					
Net income	$206.0	$69.7	$202.1	$109.8	$587.6
Income tax expense	62.8	39.9	58.1	31.3	192.1
Interest expense – net	40.3	39.5	38.0	39.1	156.9
Depreciation	60.5	59.9	56.6	55.1	232.1
Amortization	55.4	55.3	57.5	55.6	223.8
Other intangible assets impairment charges	-	150.4	-	-	150.4
EBITDA (as adjusted)	$425.0	$414.7	$412.3	$290.9	$1,542.9

Note: Amounts may not add due to rounding

UNAUDITED NON-GAAP FINANCIAL MEASURES

($ in millions)	Three Months Ended				TTM Ended
	October 31, 2020	January 31, 2021	April 30, 2021	July 31, 2021	July 31, 2021
EBITDA (as adjusted) reconciliation:					
Net income	$230.8	$261.5	$147.0	$153.9	$793.2
Income tax expense	72.7	100.0	46.3	51.3	270.3
Interest expense – net	45.1	43.5	42.4	43.1	174.1
Depreciation	54.1	53.5	57.8	58.5	223.9
Amortization	59.5	57.0	56.9	55.4	228.8
Other intangible assets impairment charge	-	-	3.8	-	3.8
EBITDA (as adjusted)	$462.2	$515.5	$354.2	$362.2	$1,694.1

Note: Amounts may not add due to rounding

UNAUDITED NON-GAAP FINANCIAL MEASURES

($ in millions)	Three Months Ended				TTM Ended
	October 31, 2019	January 31, 2020	April 30, 2020	July 31, 2020	July 31, 2020
EBITDA (as adjusted) reconciliation:					
Net income	$211.2	$187.4	$226.3	$237.0	$861.9
Income tax expense	67.9	55.1	72.1	76.6	271.7
Interest expense – net	49.1	45.1	45.6	46.1	185.9
Depreciation	52.6	53.3	53.5	54.1	213.5
Amortization	58.8	58.8	59.9	59.6	237.1
Other intangible assets impairment charge	-	52.4	-	-	52.4
EBITDA (as adjusted)	$439.6	$452.1	$457.4	$473.4	$1,822.5

Note: Amounts may not add due to rounding

UNAUDITED NON-GAAP FINANCIAL MEASURES

($ in millions)	Three Months Ended				TTM Ended
	October 31, 2018	January 31, 2019	April 30, 2019	July 31, 2019	July 31, 2019
EBITDA (as adjusted) reconciliation:					
Net income	$ 188.5	$ 121.4	$ 71.5	$ 154.6	$536.0
Income tax expense	80.9	35.8	30.4	52.1	199.2
Interest expense - net	53.6	51.6	49.1	49.4	203.7
Depreciation	51.5	51.2	51.9	50.8	205.4
Amortization	59.7	59.7	60.4	58.8	238.6
Goodwill impairment charge	-	-	97.9	-	97.9
Other intangible assets impairment charges	-	107.2	-	-	107.2
EBITDA (as adjusted)	$ 434.2	$ 426.9	$ 361.2	$ 365.7	$1,588.0

Note: Amounts may not add due to rounding

NON-GAAP RECONCILIATION

Company Guidance

	Year Ending April 30, 2024	
	Low	High
Net income per common share – assuming dilution reconciliation:		
Net income per common share – assuming dilution	$8.01	$ 8.41
Change in net cumulative unallocated derivative gains and losses [A]	0.12	0.12
Amortization	1.16	1.16
Gain on divestiture	(0.01)	(0.01)
Unrealized loss (gain) on investment in equity securities [B]	0.16	0.16
Pension plan termination settlement charge	0.02	0.02
Adjusted effective income tax rate impact	(0.01)	(0.01)
Adjusted earnings per share	$ 9.45	$ 9.85

[A] We are unable to project derivative gains and losses on a forward-looking basis as these will vary each quarter based on market conditions and derivative positions taken. The change in unallocated derivative gains and losses in the table above reflects the net impact of the gains and losses that have been recognized in the Company's GAAP results and excluded from non-GAAP results as of July 31, 2023, that are expected to be allocated to non-GAAP results in future periods.

[B] The unrealized loss on investment in equity securities in the table above reflects the forward sale of the 5.4 million shares of Post common stock that will settle for $466.3 million during the third quarter of 2024.

NON-GAAP RECONCILIATION

Company Guidance

($ in millions)	Year Ending April 30, 2023
Free cash flow reconciliation:	
Net cash provided by operating activities	$ 1,200
Additions to property, plant, and equipment	(550)
Free cash flow	$ 650

ADDITIONAL INFORMATION

The J.M. Smucker Co. is the owner of all trademarks and logos referenced herein, except for *Dunkin'*®, which is a trademark of DD IP Holder LLC.

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ADDITIONAL INFORMATION

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