

THE J.M. SMUCKER Co

U.S. RETAIL COFFEE



ROB FERGUSON

Senior Vice President and General Manager,
Coffee and Procurement



U.S. Retail
COFFEE

\$2.7B

FY24 Net Sales

**ACCRETIVE
MARGIN PROFILE**

#1
AT-HOME
COFFEE
MANUFACTURER



26%
DOLLAR SHARE
OF MARKET

3 OF TOP 7
COFFEE BRANDS



DUNKIN'

**CAFE
BUSTELO**



COFFEE IS A GREAT & RESILIENT CATEGORY



3 out of 4

Americans drink coffee,
over the age of 18

7 out of 10

cups of coffee
are consumed at home

EVOLUTION OF THE COFFEE CATEGORY

Traditional **hot coffee** still holds the **dominant market share**

Consumers look for products to adapt to their lifestyles through **temperature state & convenience**

New categories are making coffee more **accessible & convenient**



COFFEE CONSUMPTION IS STARTING AT A YOUNGER AGE

While younger consumers are
DRIVING GROWTH IN COLD COFFEE
trends, they are also highly likely to be
HOT COFFEE CONSUMERS

**WE WILL KEEP PACE WITH EVOLVING
TRENDS WHERE OUR BRANDS CAN LEAD**



We manage our coffee business for

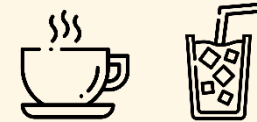
LONG-TERM GROWTH

balancing growth and cost management



+1-2%

Net Sales Growth



High 20%

Segment Profit Margin

CAFE BUSTELO®

ONE OF OUR
FASTEST-GROWING BRANDS

7th Largest Brand in the
Coffee Category

#1 Latin
Coffee

Over
\$350M
Estimated Net
Sale in FY25



CAFÉ BUSTELO[®] WAS THE **FASTEST-GROWING LEADING BRAND** IN THE CATEGORY LAST YEAR

Consumer takeaway grew
20%
Latest 13-Weeks

22
consecutive quarters
of dollar sales growth

GROWING
in
ALL SEGMENTS



NEXT PHASE OF GROWTH



Current Momentum

Regional Brand

Deep Cultural Relevance

Highly-Loyal Consumer Base

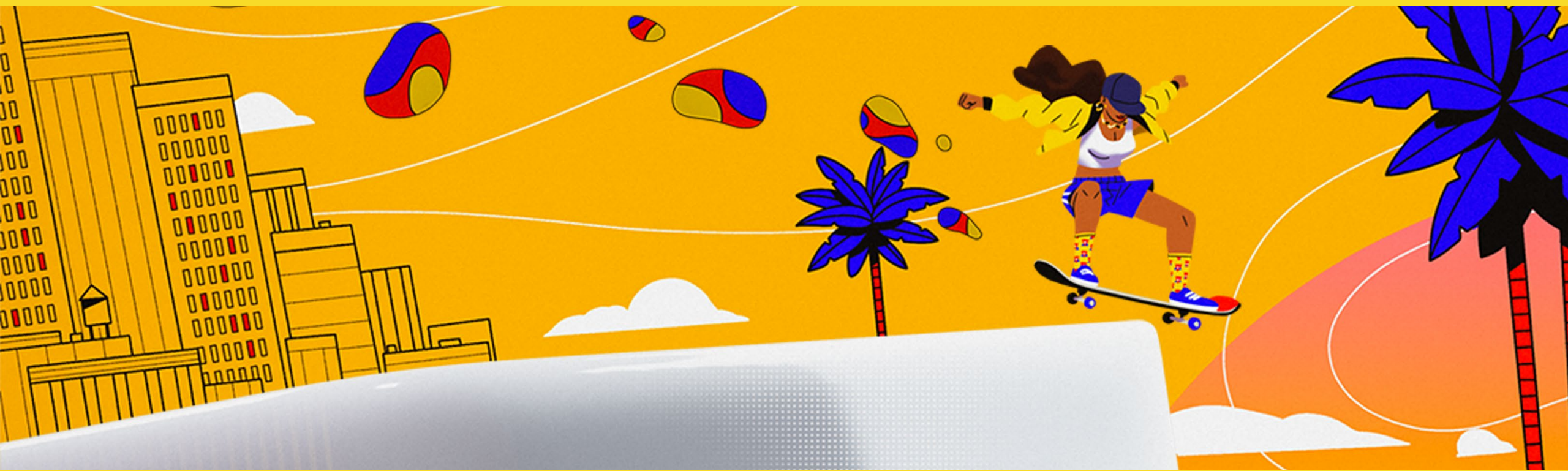
Next Phase of Growth

Top 4 Brand in
R&G & Multi-Serve

Double-Digit Annual
Net Sales Growth

BROADEN NATIONAL APPEAL & LAUNCH INNOVATION

Fueling the **CAFE
BUSTELO** momentum



with new creative

CAFÉ ® BUSTELO®

Video Commercial Playing in Room

OUR NEW MARKETING CREATIVE

Aims to
**INCREASE BRAND AWARENESS &
HOUSEHOLD PENETRATION**

Leverage our proven marketing model
powered by a disciplined approach built on
INSIGHTS & CULTURE





EXPAND DISTRIBUTION

Visibility and accessibility of *Café Bustelo*®
coffee to consumers across the U.S.
through geographic expansion in all formats



GROWTH OPPORTUNITY



Innovation in **PRE-PACK**



- ✓ Opportunity to disrupt the pre-pack segment
- ✓ Made with Arabica coffee
- ✓ Begin shipping in Summer 2025
- ✓ Margin accretive to the *Café Bustelo*® brand

Also in K-Cup® pod formats



CAFE BUSTELO

MULTI-SERVE

Original launch is **exceeding expectations**

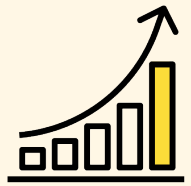
Multi-serve is a **growing category**

Ambition for a **single-serve RTD form**





CONTINUING GROWTH



Growing in all key
demographics with
more room to grow



Aspiration to Become the **Latin Coffee Authority** Across All Formats in the U.S.



DUNKIN'®

#3 Coffee Brand

Long-Term
LOW-SINGLE-DIGIT
Annual Net Sales Growth

SOURCE: SMUCKER INTERNAL CIRCANA MULTI-OUTLET SHARE REPORT 52 WEEKS ENDED NOVEMBER 03, 2024.

DUNKIN'® BRAND HEALTH IS POSITIVE



Core Formats

Support Through National
Media & Brand Building



Seasonal & Cold Coffee

Innovation Focused on Evolving
Consumer Preferences



SEASONAL COFFEE

CATEGORY WITH
OPPORTUNITY TO GROW

~\$350M Current Category Size

3 out of 4 Households Buy Coffee, but
Only 11% of Households
are Buying Seasonal Coffee

DUNKIN'

STRONG SEASONAL COFFEE MOMENTUM

#2
IN SEASONALS
CATEGORY

We are Launching
**NEW FLAVORS
& FORMS**
for All the Seasons





#1 At-Home Coffee Brand in Volume Share

Anticipate Maintaining our Share
Position Over the Long-Term

NATIONWIDE TASTE TEST

60% Preferred *Folgers*[®] Black Silk

———— COMPARED TO ————

35% Chose Starbucks[®] French Roast



NOTE: NATIONWIDE TASTE TEST OF HOT BREWED GROUND COFFEE PURCHASED AT GROCERY.

OPPORTUNITY TO GROW IN K-CUP® PODS

Win fair share in K-Cup® pods

Folgers® Classic Decaf launching in May 2025

Drive awareness and conversion through marketing





COST MANAGEMENT

A key part of our strategy

Leveraging our
DEEP EXPERTISE
in
**COFFEE SOURCING
& ROASTING**

Exploring
COFFEE CHANNELS
to expand our green coffee
sources & reduce costs
where possible



WE ARE TAKING ACTION TO

**MEET THE NEEDS OF THE CONSUMER &
FOCUS ON OUR LARGEST GROWTH OPPORTUNITIES**

**WE ARE UNIQUELY POSITIONED WITH
OUR LEADING BRANDS**

THE J.M. SMUCKER Co

INVESTOR DAY 2024



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 Company's ability to successfully integrate Hostess Brands' operations and employees and to implement plans and achieve financial forecasts with respect to the Hostess Brands' business; the Company's ability to realize the anticipated benefits, including synergies and cost savings, related to the Hostess Brands acquisition, including the possibility that the expected benefits will not be realized or will not be realized within the expected time period; disruption from the acquisition of Hostess Brands by diverting the attention of the Company's management and making it more difficult to maintain business and operational relationships; the negative effects of the acquisition of Hostess Brands on the market price of the Company's common shares; the amount of the costs, fees, expenses, and charges and the risk of litigation related to the acquisition of Hostess Brands; the effect of the acquisition of Hostess Brands on the Company's business relationships, operating results, ability to hire and retain key talent, and business generally; disruptions or inefficiencies in the Company's operations or supply chain, including any impact caused by product recalls, political instability, terrorism, geopolitical conflicts (including the ongoing conflicts between Russia and Ukraine and Israel and Hamas), extreme weather conditions, natural disasters, pandemics, work stoppages or labor shortages (including potential strikes along the U.S. East and Gulf coast ports and potential impacts related to the duration of a recent strike at the Company's Buffalo, New York manufacturing facility), or other calamities; risks related to the availability of, 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 to meet the Company's deleveraging objectives, dividend payments, and share repurchases; a change in outlook or downgrade in the Company's public credit ratings by a rating agency below investment grade; 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 primary or 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 its 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.

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