

2020

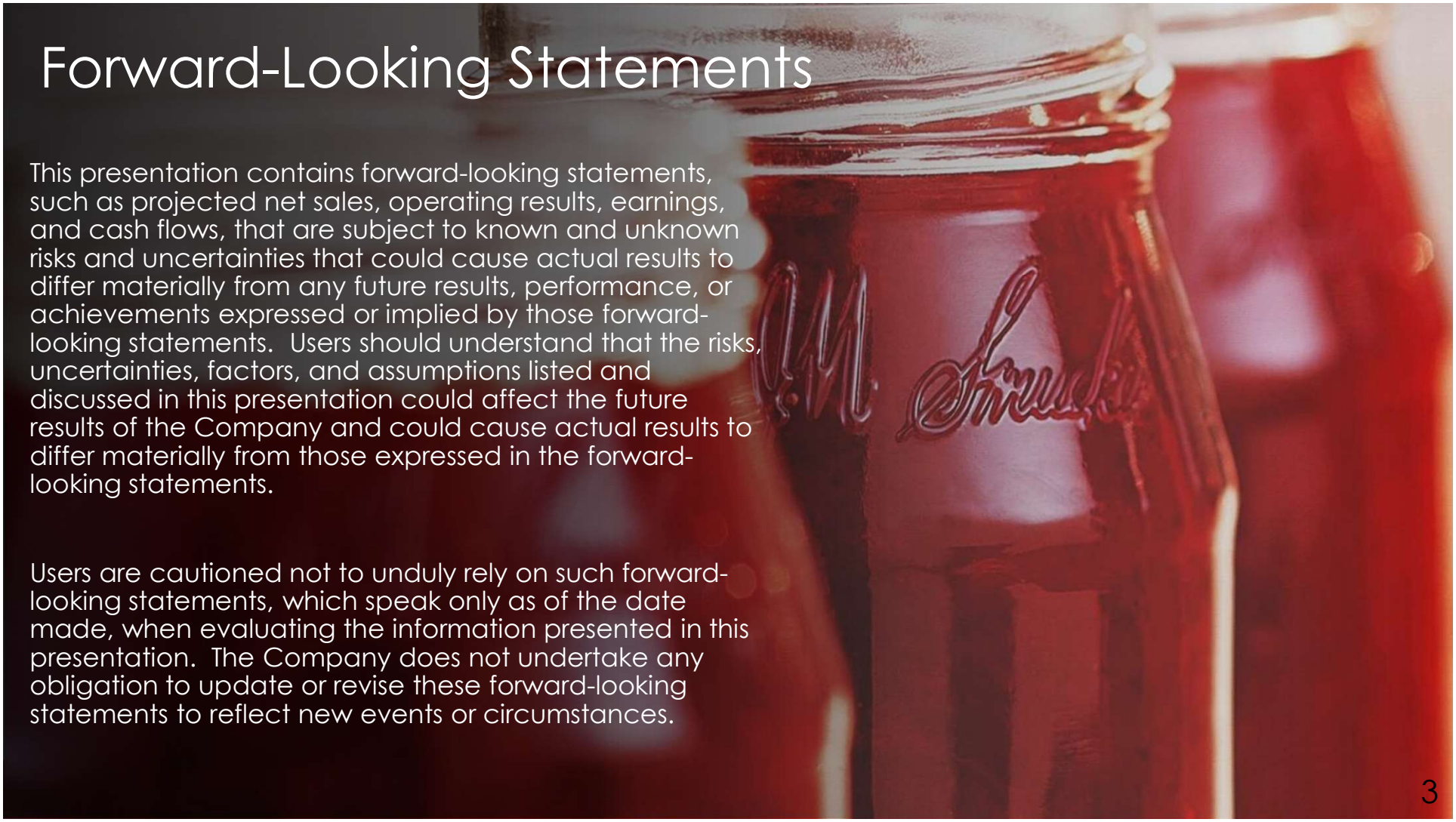
BARCLAYS GLOBAL CONSUMER STAPLES CONFERENCE



STRATEGY AND BUSINESS UPDATE

Mark Smucker
President & 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.

Agenda

- **STRATEGY AND BUSINESS UPDATE**

Mark Smucker

PRESIDENT & CHIEF EXECUTIVE OFFICER



- **FINANCIAL OUTLOOK AND PRIORITIES**

Tucker Marshall

CHIEF FINANCIAL OFFICER



Basic Beliefs

WHY INCLUSION, DIVERSITY & EQUITY? FOR...

FOR OUR COMPANY

There is growing research and awareness of the business case for ID&E, with many of the most successful companies recognizing ID&E as a critical competitive advantage. McKinsey, Kantar and CEO ACTION (to name a few) cite financial outperformance and heightened value creation, innovation and agility as a few of the benefits directly correlated to the diversity found within a company's workforce, and especially within its leadership. This is among the many reasons why our ID&E efforts are a strategic business imperative for our Company.

FOR OUR CULTURE

Our unique culture and remarkable people are often listed among the key strengths of our Company. We recognize that there's work to do to deliver against the *thriving community* Mark Smucker has

FOR OUR COMMUNITIES

These are unprecedented times, with the global pandemic crisis and systemic racial injustice at the forefront of our thoughts and conversations.

Through our Marketplace pillar, we have the opportunity to share and broaden the reach of our internal ID&E efforts with our external communities and consumers: (1) supporting greater cultural awareness and sensitivity and (2) helping address racial inequality and discriminatory injustice.

This is a necessity for Communities – for humanity – to use our collective voices to reject intolerance and injustice and accept nothing less than equality for everyone.



OUR COMPANY

OUR CULTURE

OUR COMMUNITIES



Our Basic Beliefs

Basic Beliefs are an expression of the Company's values and principles that guide strategic behavior and direction. The Basic Beliefs are deeply rooted in the philosophy and heritage of the Company's founder.

In 1897, The Smucker Company was formed by a dedicated, honest, forward-looking businessman, J.M. Smucker. Because he made a quality product, sold it at a fair price, and followed sound policies, this company prospered. Today, we who inherit the Smucker name and the Smucker tradition of successful business operations, base present policies on these time honored principles. We interpret them, in terms of modern corporate thinking, to be the guideposts of our operations. They are as follows:

QUALITY

Quality applies to our products, our manufacturing methods, our marketing efforts, our people, and our relationships with each other. We will only produce and sell products that enhance the quality of life and well-being. These will be the highest quality products offered in our respective markets because Smucker's growth and business success have been built on quality. We will continuously look for ways to achieve daily improvements that will, over time, result in consistently superior products and performance. At Smucker's, quality comes first. Sales growth and earning will follow.

PEOPLE

We will be fair with our employees and maintain an environment that encourages personal responsibility. In return, we expect our employees to be responsible for not only their individual jobs, but also the Company as a whole. We will seek employees who are committed to preserving and enhancing the values and principles inherent in our Basic Beliefs through their own actions. We firmly believe that:

- Highest quality people produce the highest quality products and service.
- Highest business ethics require the highest personal ethics.
- Responsible people produce exceptional results.

ETHICS

The same, strong ethical values on which our Company was founded provide the standard by which we conduct our business as well as ourselves. We accept nothing less regardless of the circumstances. Therefore, we will maintain the highest standards of ethics with our shareholders, customers, suppliers, employees and communities where we work.

GROWTH

Along with day-to-day operations, we are also concerned with the potential of our Company. Growing is reaching for that potential whether it is in the development of new products and new markets, the discovery of new manufacturing or management techniques, or the personal growth and development of our people and their ideas. We are committed to a strong balanced growth that will protect or enhance our consumer franchise within prudent financial parameters, thereby providing a fair return for our stockholders on their investment in us.

INDEPENDENCE

We have a strong commitment to stewardship of the Smucker name and heritage. We will remain an independent company because of our desire and motivation to control our own direction and succeed on our own. We strive to be an example of a company that is successful by operating under these Beliefs within the free enterprise system.

Our Purpose

"FEEDING CONNECTIONS THAT HELP US THRIVE – LIFE TASTES BETTER TOGETHER."







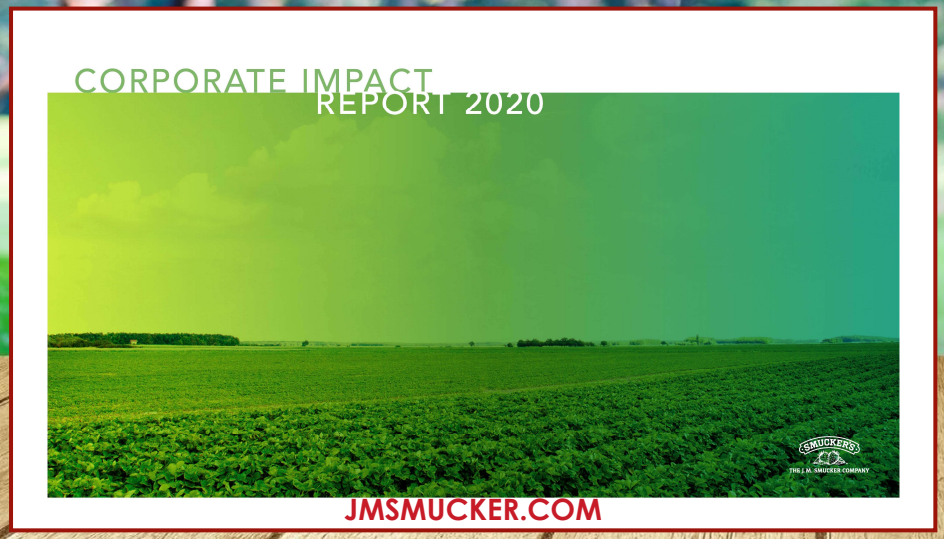
2020 HIGHLIGHTS

ACCELERATED INCLUSION & DIVERSITY EFFORTS

ON-TRACK TO ACHIEVE 2020 ENVIRONMENTAL GOALS

DONATED 32M MEALS TO PEOPLE AND PETS

ENHANCED EMPLOYEE BENEFITS



Dynamic Environment

120+

YEARS OF ADAPTING TO MEET CONSUMER NEEDS







PROUD AND THANKFUL FOR OUR EMPLOYEES FOR MAINTAINING HIGH QUALITY AND SAFETY STANDARDS

Fiscal Year 2021 First Quarter Results

NET SALES

+11%

VS PRIOR YEAR

ADJUSTED EPS

+50%

VS PRIOR YEAR

- Increased At-Home Consumption
- Retailer Inventory Re-Stock
- Away From Home Decline
- Operating Leverage
- SD&A Expenses

STRATEGIC GROWTH IMPERATIVES



LEAD IN THE BEST CATEGORIES



BUILD BRANDS CONSUMERS LOVE



BE EVERYWHERE

STRATEGIC GROWTH IMPERATIVES



LEAD IN THE BEST CATEGORIES



BUILD BRANDS CONSUMERS LOVE



BE EVERYWHERE



CATEGORIES WHERE WE HOLD THE **#1** OR **#2** BRANDED POSITION CONTRIBUTE OVER **70%** OF **NET SALES**

SOURCE: SMUCKER INTERNAL MULTI-OUTLET SHARE REPORT 52 WEEKS ENDED AUGUST 9, 2020

STRATEGIC GROWTH IMPERATIVES



LEAD IN THE BEST CATEGORIES



BUILD BRANDS CONSUMERS LOVE



BE EVERYWHERE

Marketing Investment





















FY20

10

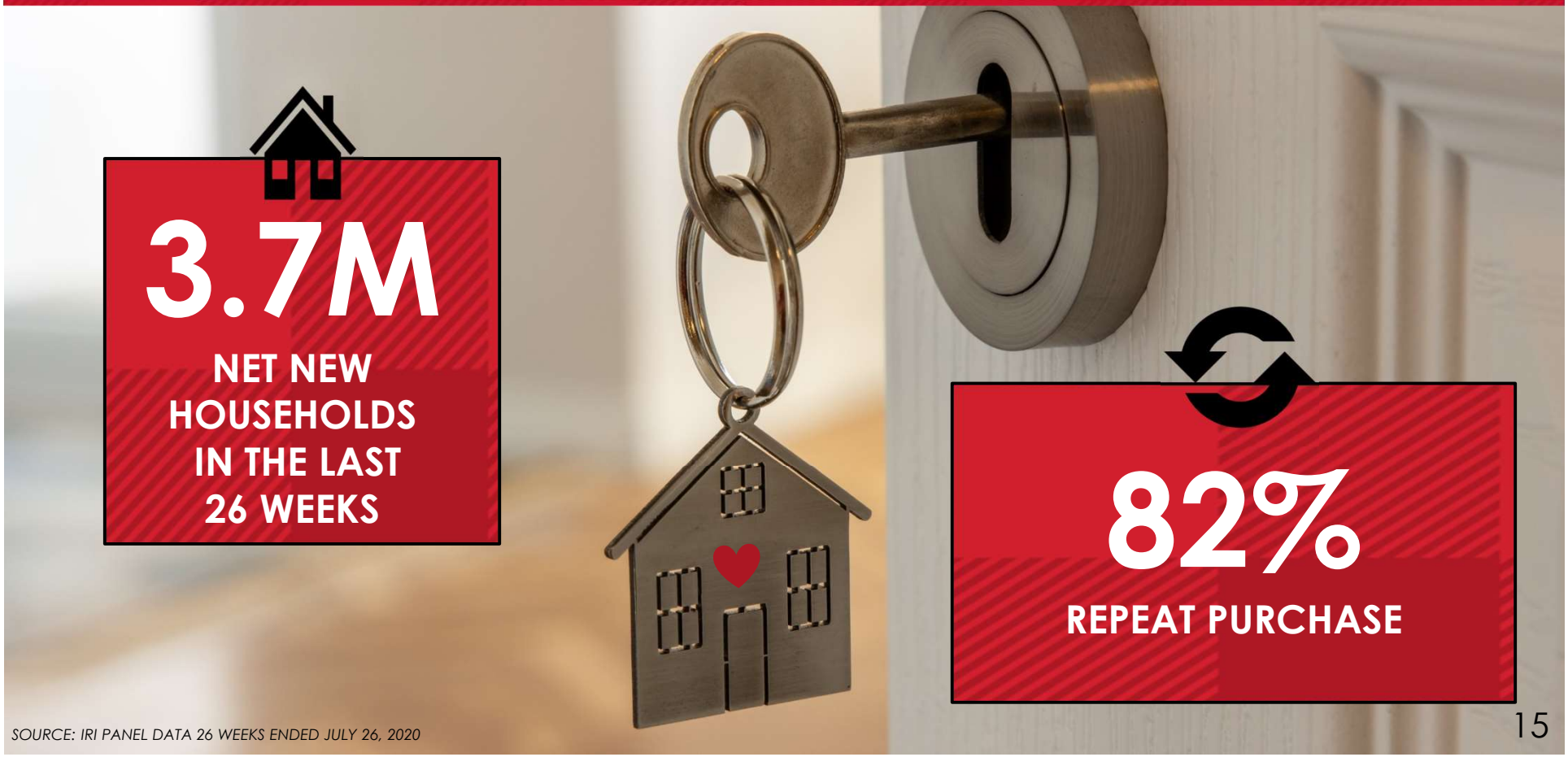
NEW ADVERTISING CAMPAIGNS

TARGET

6% - 7%

OF NET SALES

Adding New Consumers



3.7M

NET NEW HOUSEHOLDS IN THE LAST 26 WEEKS

82%

REPEAT PURCHASE

SOURCE: IRI PANEL DATA 26 WEEKS ENDED JULY 26, 2020

Retaining Consumers

ADAPTING MARKETING STRATEGIES TO ENGAGE CONSUMERS

LEVERAGING DATA TO ATTRACT AND RETAIN CONSUMERS



On-Trend Innovation





FY20

5% OF NET SALES

FROM PRODUCTS INTRODUCED IN LAST THREE YEARS



STRATEGIC GROWTH IMPERATIVES



LEAD IN THE BEST CATEGORIES



BUILD BRANDS CONSUMERS LOVE



BE EVERYWHERE

E-commerce



70%

Q1 E-COMMERCE GROWTH

RUNWAY FOR FUTURE GROWTH

E-commerce Sales in Q1 FY21



17%
OF U.S. RETAIL PET FOODS NET SALES

10%
OF U.S. RETAIL COFFEE NET SALES

7%
OF U.S. RETAIL CONSUMER FOODS NET SALES

12% OF TOTAL U.S. RETAIL NET SALES


U.S. RETAIL SEGMENTS
PET FOODS
COFFEE
CONSUMER FOODS


PRIVATE LABEL 5%
DOG FOOD 38%
CAT FOOD 28%
SNACKS 29%
$2.9B
FY20 NET SALES
U.S. RETAIL PET FOODS
NEW!
RACHAEL RAY NUTRISH
SUPER PREMIUM FOOD FOR DOGS
SWEET POTATO & VENISON FORMULA
Natural Balance
L.I.D.
LIMITED INGREDIENT DIETS
NATURAL DOG FOOD
NATURE'S RECIPE
EVERY INGREDIENT COUNTS
Kibbles 'n Bits
bacon & steak flavor
MORE FREE
Meow Mix
Tender Centers
Pup-Peroni
Meow Mix
Irresistibles
GRAVY TRAIN
ROASTERS
LOVED SINCE 1908
MILK-BONE
Medium
CLEANS TEETH & FRESHENS BREATH
RACHAEL RAY NUTRISH
SUPER PREMIUM FOOD for cats
indoor COMPLETE

Dog Snacks Leadership



Source: Smucker Internal Multi-Outlet Share Report 52 weeks ended August 9, 2020

Dog Snacks Leadership



MILK-BONE

Pup-Peroni

RACHAEL RAY NUTRISH

Canine Carry Outs

Snausages

Milo's Kitchen

Cat Food



Source: Smucker Internal Multi-Outlet Share Report 52 weeks ended August 9, 2020

Dog Food

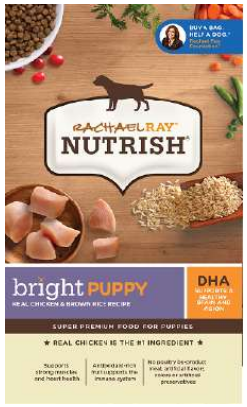

GRAVY TRAIN
Kibbles 'n Bits
RACHAEL RAY NUTRISH
NATURE'S RECIPE
EVERY INGREDIENT COUNTS
Natural Balance
70%
OF DOG FOOD SALES
FROM PREMIUM BRANDS

Accelerating *Nutrish*® Growth

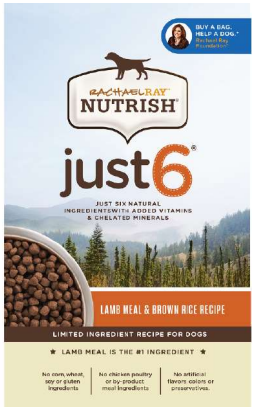
- **ADVERTISING FEATURING RACHAEL RAY**
- **IMPROVED VALUE PROPOSITION**
- **OPTIMIZING SUB-BRANDS**
- **INNOVATION**

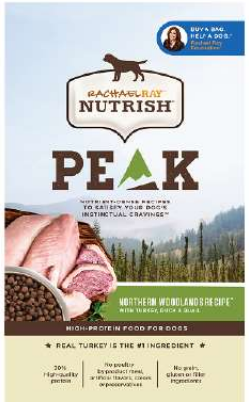


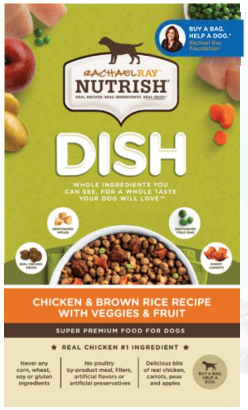
Optimizing *Nutrish*® Sub-Brands

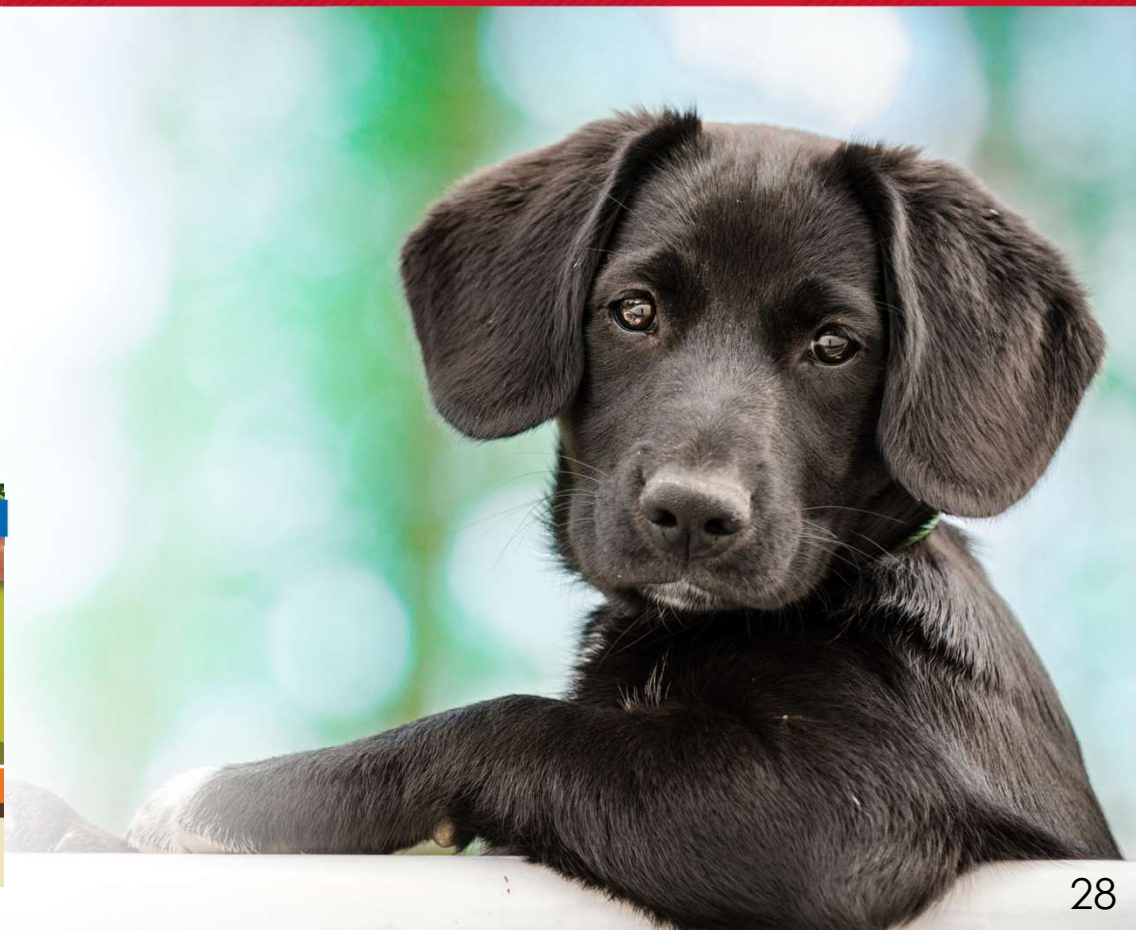












Leading Coffee Portfolio

Folgers®

#1 BRAND
16% MARKET SHARE



Dunkin'®

#3 BRAND
8% MARKET SHARE



Café Bustelo®

24% SALES GROWTH
2% MARKET SHARE



Source: Smucker Internal Multi-Outlet Share Report 52 weeks ended August 9, 2020


INSTANT
8%
PREMIUM
16%
MAINSTREAM
50%
ONE CUP
26%
$2.1B
FY20 NET SALES
U.S. RETAIL
COFFEE
Folgers
NOIR
SMOKY
MIDNIGHT
Folgers
NOIR
GOLDEN
DUSK
CAFE
BUSTELO
Café Tostado Oscuro
Dark Roast Coffee
CAFE
BUSTELO
Café Espresso Molido
CAFE
BUSTELO
CHOCOLATE
DUNKIN'
ORIGINAL BLEND
MEDIUM ROAST
GROUND COFFEE
DUNKIN'
Signature Series
SELECT BALANCED
DUNKIN'
Folgers
CLASSIC ROAST
Folgers
100% COLOMBIAN
1850

Increased At-Home Consumption



Q1 FY21

23%

U.S. RETAIL COFFEE NET SALES GROWTH

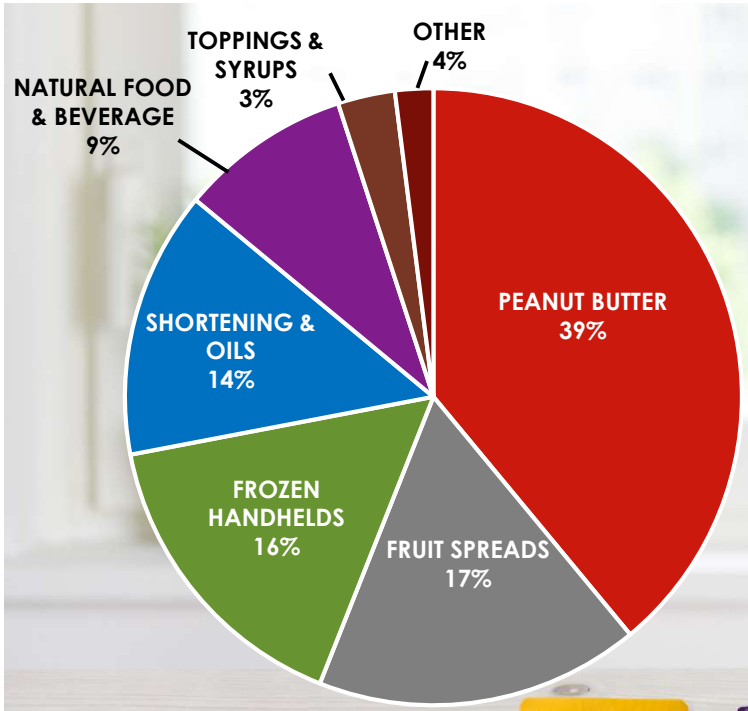
LONG-TERM

NEW CONSUMER HABITS ARE FORMING THAT WILL BENEFIT OUR COFFEE BUSINESS

U.S. RETAIL CONSUMER FOODS

$1.7B

FY20 NET SALES





Uncrustables® Growth



SMUCKER'S Uncrustables

ON TRACK

$500M

EXPECTED NET SALES IN FY2023

A NO-TRADE-OFF SOLUTION FOR BUSY PARENTS

FASTEST-GROWING BRAND IN FROZEN SNACKING

Key Takeaways

- EXECUTING ON NEAR-TERM PRIORITIES
- CONFIDENT IN CONSUMER-CENTRIC STRATEGY
- CONTINUE TO ADAPT AND BE AGILE
- ON-TRACK TO DELIVER FINANCIAL COMMITMENTS



FINANCIAL OUTLOOK AND PRIORITIES

Tucker Marshall

Chief Financial Officer

Fiscal Year 2021 First Quarter Results

NET SALES

+11%

VS PRIOR YEAR

ADJUSTED EPS

+50%

VS PRIOR YEAR

- Increased At-Home Consumption
- Retailer Inventory Re-Stock
- Away From Home Decline
- Operating Leverage
- SD&A Expenses

Full-Year Fiscal 2021 Outlook

0% to +1%
NET SALES

$8.20 to $8.60
ADJUSTED EPS

$925M to $975M
FREE CASH FLOW

INCREASED GUIDANCE REFLECTS:

- STRONG FIRST QUARTER PERFORMANCE
- MODERATING AT-HOME CONSUMPTION
- LAPPING CONSUMER STOCK-UP IN PY Q4
- AWAY FROM HOME DECLINE
- BALANCED REINVESTMENT AND RETURN



Financial Goal

SUPPORTING BALANCED AND SUSTAINABLE SALES AND PROFIT GROWTH BY LEVERAGING:

- **OUR MARKET AND CATEGORY LEADERSHIP POSITIONS**
- **STRATEGY DEFINED BY OUR GROWTH IMPERATIVES**
- **STRONG FINANCIAL FOUNDATION**

Financial Priorities

- CONSISTENT AND TRANSPARENT COMMUNICATION
- EXECUTION AGAINST TARGETS
- INCREASED RETURN ON INVESTED CAPITAL
- COST CONTROL AND MARGIN ENHANCEMENT
- BALANCED CAPITAL DEPLOYMENT

CREATE LONG-TERM SHAREHOLDER VALUE

Our Purpose

"FEEDING CONNECTIONS THAT HELP US THRIVE – LIFE TASTES BETTER TOGETHER."







Enhanced Focus on Returns

- PRIORITIZE HIGHEST RETURN INVESTMENTS
- INCREASE FINANCIAL OVERSIGHT
- STRENGTHEN ANALYTICS
- EVALUATE PORTFOLIO



Optimizing Cost Structure

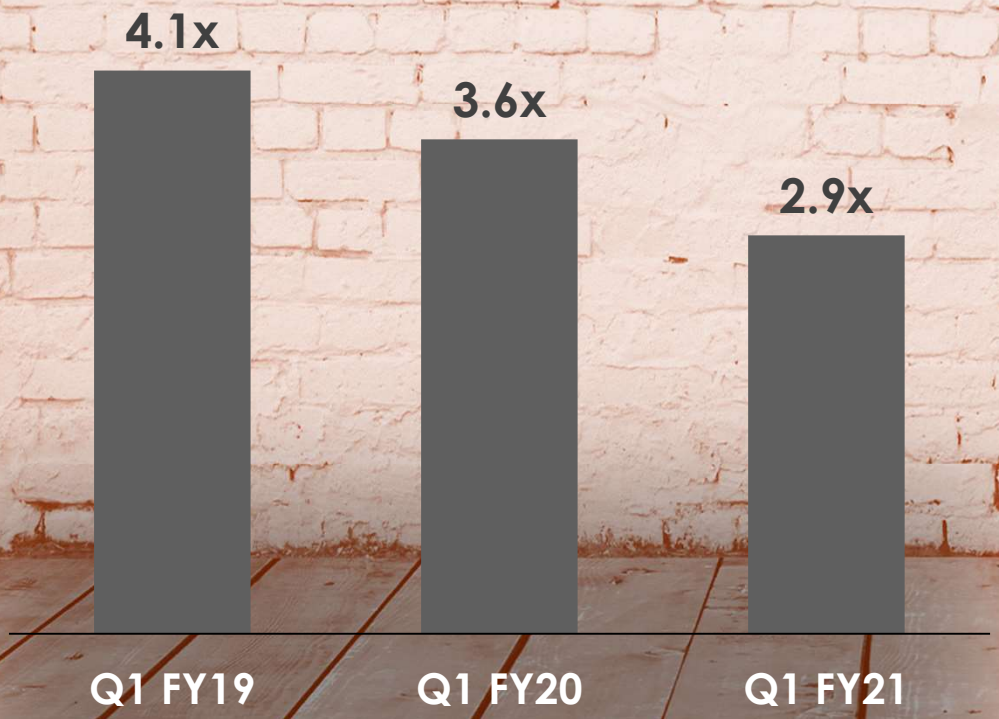
MAINTAIN STRONG MARGINS AND CASH FLOW THROUGH:

- **TOTAL COMPANY COMMITMENT TO PRODUCTIVITY**
- **REDUCTION OF DISCRETIONARY SPENDING**
- **MARGIN MANAGEMENT COST PROGRAM**
- **TRANSPARENCY AND COLLABORATION IN PRICING**

Capital Deployment

INVESTING IN GROWTH	RETURNING CASH TO SHAREHOLDERS
• CAPITAL EXPENDITURES • STRATEGIC PROJECTS	• DIVIDENDS • DEBT REPAYMENT • SHARE REPURCHASES
50%	50%

Debt Profile



$1.3B
DEBT REPAYMENTS
SINCE Q1 FY19

LEVERAGE OF **3.0X**
ENHANCES
FINANCIAL FLEXIBILITY

Dividend Growth

19 CONSECUTIVE YEARS OF DIVIDEND INCREASES



8%
10-YEAR CAGR

40-45%
ADJUSTED EPS PAYOUT

Key Takeaways

- **STRONG START TO FISCAL YEAR 2021**
- **FINANCIAL DISCIPLINE ENABLES OUR STRATEGY**
- **ON PATH TO DELIVER CONSISTENT, SUSTAINABLE GROWTH AND INCREASE SHAREHOLDER VALUE**

The J.M. Smucker Company
Investor Day

Week of December 7, 2020



SMUCKER'S

Thank You!










2020

BARCLAYS GLOBAL CONSUMER STAPLES CONFERENCE

Supporting Materials

Non-GAAP Financial Measures

The Company uses non-GAAP financial measures, including: net sales excluding foreign currency exchange; adjusted gross profit; adjusted operating income; adjusted income; adjusted earnings per share; earnings before interest, taxes, depreciation, amortization, and impairment charges related to intangible assets ("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 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, integration and restructuring costs ("special project costs"), and unallocated gains and losses on commodity and foreign currency exchange derivatives ("unallocated derivative gains and losses"), as well as the related tax impact of these exclusions. The special project costs relate to specific integration and restructuring projects, and the unallocated derivative gains and losses reflect the changes in fair value of the Company's commodity and foreign currency exchange contracts. Additionally, income taxes, as adjusted is calculated using an adjusted effective income tax rate that is applied to adjusted income before income taxes. While this adjusted effective income tax rate does not generally differ materially from the GAAP effective income tax rate, certain exclusions from non-GAAP results 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 facilitates 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 2021 outlook.

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 impact of the COVID-19 pandemic on the Company's business, industry, suppliers, customers, consumers, employees, and communities, particularly with respect to the Company's Away From Home business; disruptions or inefficiencies in the Company's operations or supply chain, including any impact of the COVID-19 pandemic; the ability to achieve cost savings related to 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; volatility of commodity, energy, and other input costs; 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 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 impact of food security concerns involving either the Company's products or its competitors' products; the impact of accidents, extreme weather, natural disasters, and pandemics (such as COVID-19); 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 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, including tariffs; the outcome of tax examinations, changes in tax laws, and other tax matters; 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 Reconciliation

($ and shares in millions, except per share data)	Three Months Ended July 31,	
	2020	2019
Net income reconciliation:		
Net income	$237.0	$154.6
Income tax expense	76.6	52.1
Amortization	59.6	58.8
Unallocated derivative losses (gains)	(16.2)	(29.0)
Other special project costs	-	3.3
Adjusted income before income taxes	$357.0	$239.8
Income taxes, as adjusted	87.0	60.1
Adjusted income	$270.0	$179.7
Weighted-average common shares outstanding	113.5	113.3
Weighted-average participating shares outstanding	0.6	0.6
Total weighted-average shares outstanding	114.1	113.9
Dilutive effect of stock options	-	-
Total weighted-average shares outstanding – assuming dilution	114.1	113.9
Adjusted earnings per share – assuming dilution	$2.37	$1.58

Non-GAAP Reconciliation

($ in millions)	Three Months Ended				TTM Ended
	October 31, 2017	January 31, 2018	April 30, 2018	July 31, 2018	July 31, 2018
EBITDA (as adjusted) reconciliation:					
Net income	$194.6	$831.3	$185.9	$133.0	$1,344.8
Income tax expense (benefit)	97.2	(715.3)	78.3	40.1	(499.7)
Interest expense - net	41.6	43.1	47.4	53.6	185.7
Depreciation	50.6	52.1	49.1	51.4	203.2
Amortization	51.6	51.6	52.1	60.5	215.8
Goodwill impairment charge	-	145.0	-	-	145.0
Other intangible asset impairment charges	-	31.9	-	-	31.9
EBITDA (as adjusted)	$435.6	$439.7	$412.8	$338.6	$1,626.7

Non-GAAP Reconciliation

($ 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

Non-GAAP Reconciliation

Note: Amounts may not add due to rounding

($ 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 charges	-	52.4	-	-	52.4
EBITDA (as adjusted)	$439.6	$452.1	$457.4	$473.4	$1,822.5

Non-GAAP Reconciliation

Company Guidance

($ in millions, except per share data)	Year Ending April 30, 2021	
	Low	High
Net income per common share – assuming dilution reconciliation:		
Net income per common share – assuming dilution	$6.83	$7.23
Unallocated derivative losses (gains)	(0.22)	(0.22)
Amortization	1.59	1.59
Adjusted earnings per share – assuming dilution	$8.20	$8.60
Free cash flow reconciliation:		
Net cash provided by operating activities	$1,225	$1,275
Additions to property, plant, and equipment	(300)	(300)
Free cash flow	$925	$975

(A) As unallocated derivative losses (gains) vary each quarter based on market conditions and derivative positions taken, we do not project derivative gains or losses on a forward-looking basis. Therefore, the forward-looking unallocated derivative losses (gains) in the table above reflect the net cumulative amount already recognized in GAAP results as of July 31, 2020, that is expected to be allocated to non-GAAP results in future periods.

Additional Information

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

The following trademarks and corresponding logos are the trademarks of their respective owners: *K-Cup* and *K-Cups and The Rachael Ray Foundation*.

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