THE J.M. SMUCKER COMPANY
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2015 Corporate Responsibility Report
OUR PURPOSE
Helping to bring families together to share memorable meals and moments.

Respect for the environment and a strong commitment to actively supporting the communities we serve have been defining attributes of our Company since our founding more than 115 years ago. We are pleased to share The J.M. Smucker Company’s ongoing focus on Economic, Environmental, and Social sustainability as detailed throughout our 2015 Corporate Responsibility Report.

OUR CULTURE
• Philosophy of hiring for a career
• Comprehensive approach to people development
• A focus on employee well-being
• Where every employee makes a difference

OUR CONSUMERS
• Focused on Our Purpose
• Providing consumers with high-quality product choices
• Committed to responsible, family-oriented marketing programs
• Introduced more than 100 new products in fiscal 2015

OUR ENVIRONMENT
• Working toward our 2020 goals
• Committed to our green coffee sustainability strategy
• U.S. Zero Waste Business Council certification for our Chico, CA, facility
• Committed to a fully sustainable and traceable palm oil supply chain

OUR COMMUNITIES
• Enhancing our communities through revitalization
• Encouraging volunteerism and community involvement
• Providing valuable learning experience through internships
• Contributing to the well-being of our communities
Dear Friends,

We are pleased to present The J.M. Smucker Company’s 2015 Corporate Responsibility Report, our fifth opportunity to update key constituents on our Company’s Sustainability Strategy, which calls for us to create a better tomorrow by focusing on:

- Preserving our culture;
- Ensuring our long-term Economic viability;
- Limiting our Environmental impact; and
- Being Socially responsible.

As always, Our Purpose of helping to bring families together to share memorable meals and moments inspires our employees and drives our commitment to doing the right things and doing things right for the environment and communities we serve.

The past year has been one of transformation and progress as we expanded our reach into a new category and strengthened our relationships with our consumers. Our acquisition of Big Heart Pet Brands (“Big Heart”) brings some of America’s best-known and beloved pet brands to our product portfolio and adds an additional platform for growth, along with our existing food and beverage businesses. Central to the strategic rationale is its clear alignment with Our Purpose. Like millions of consumers across North America, we consider pets to be important members of the family, and we are excited to now serve the needs of every member of the household. In doing so, we look forward to integrating Big Heart’s commitments to pets, people, and the planet in the future and are pleased to share some of its highlights today.

We recognize that with the Big Heart acquisition – the largest in our Company’s history – comes increased size and even greater responsibility. It’s a responsibility that comes naturally to us, as commitment to doing what’s right for each other, communities, consumers, and the planet is inherent in our Basic Beliefs. That is why our approach is truly holistic – one that embeds social and environmental considerations into our decision-making process at every step – from the development of our products to the operation of our facilities.

Economic

One of our most important corporate responsibilities is the long-term economic viability of our business. A strong financial foundation ensures we have the resources to reinvest in making our business, people, and communities stronger. In addition, many of our sustainability-related initiatives are sound business decisions. For example, when making changes to our operations through supply chain initiatives or process improvements, we consider the long-term benefits for both our environment and our business.

Environment

During the past six years, we learned a great deal as we pursued a set of environmental goals to realize measurable decreases in waste to landfill, water usage, and greenhouse gas emissions by 2014. Our progress has been solid since 2009, with notable achievements including a 23 percent reduction through 2014 in water intensity and a nearly 86 percent landfill diversion rate. We have learned from our challenges and successes and are using this knowledge to further help us reduce the Company’s environmental footprint. To that end, we established a new set of environmental goals to achieve by 2020. These objectives include increasing our rate of waste diversion from landfill to 95 percent, reducing water usage by 15 percent, and reducing greenhouse gas emissions by 10 percent.

Our philosophy of managing our business while remaining responsible to the global community continues to be the foundation of our environmental and sourcing commitments. We are on track to fulfill two important commitments related to responsible sourcing. The first is to develop a fully sustainable and traceable palm oil supply chain that ensures 100 percent of our direct palm oil purchases are from responsible and certified sources by December 2015. The second commitment that remains on course is for certified green coffee purchases to reach 10 percent of our total retail purchases by 2016, which we believe will be the highest level of certified purchasing by any mainstream coffee roaster in North America.

As the market leader in the U.S. coffee category, Smucker has a significant opportunity to drive positive change and help sustain the viability of smallholder farmers. That is why we continue to support a number of initiatives that span regions and markets to advance this objective. Our long-standing partnership with the global nonprofit TechnoServe supports programs of on-site instruction that can help farmers in developing countries maintain high yields, be more resilient, and have greater long-term economic potential. Building on this partnership, we launched a four-year project in Central America during 2014 that is intended to reach 6,000 smallholder coffee farmers in the region to help improve yields and productivity. In Indonesia, a direct outreach project with the Hanns R. Neumann Foundation has similar objectives on behalf of small producers and is gaining momentum as it scales up to planned capacity.

We’re also making investments through World Coffee Research (WCR) to help ensure a long-term, sustainable supply of quality coffee around the world. WCR is focused on researching major environmental challenges to coffee supply in the 21st century, such as climate change and aging tree stock, in the face of increasing consumer demand.

Social

Our investments to strengthen people and communities also extend to the markets we serve in North America. As a good corporate citizen, we have always believed in our responsibility to support organizations, projects, and programs that contribute to the well-being of our communities. For example, our support of Feeding America® extends back more than 20 years and encompasses both product and monetary donations. As a national supporter of the Boys & Girls Clubs of America, we help to brighten the prospects of millions of young people each year. Additionally, our sponsorship of the 2016 U.S. Olympic and Paralympic Teams underscores our commitment to athletic achievement and the ideals of the Olympic Games.

Focused on Our Priorities

These are exciting times at Smucker as we leverage the opportunity to serve more consumers in new ways. We will do so while remaining focused on our Our Purpose and our Basic Beliefs, and steadfast in our commitment to Economic, Environmental, and Social sustainability.

We are grateful for the contributions of all our constituents as we work toward our goals. We look forward to keeping you updated on our progress and appreciate your continued support and interest in The J.M. Smucker Company.

Sincerely,

Tim Smucker
Richard Smucker

The J.M. Smucker Company

2015 Corporate Responsibility Report
Our Culture

As we grow, we are committed to preserving and strengthening our culture, which is focused on the mutual respect of our fellow employees and an atmosphere that makes people proud to work here – where everyone makes a difference.
Our Brands

For more than 115 years, The J.M. Smucker Company has been committed to offering consumers quality products that help bring families together to share memorable meals and moments.

Why We Are, Who We Are... Our Culture

A culture of dotting the i’s and crossing the t’s... Of doing the right things and doing things right...

A culture of growth – individual and as a company.

It’s who we are. It’s because of who we are.

It’s a result of living our Basic Beliefs...

Our Commitment to Each Other. To our consumers and to our customers...

As we look to the future of unlimited possibilities, we recognize the principles that are instrumental to our success...

A culture deeply rooted in our Basic Beliefs...

Guideposts for decisions at every level...

Why we are who we are.

A culture that encourages commitment to each other...

Clear communication and collaboration...

Vision...A culture of appreciation.

A family-sense of sharing in a job well done...

Where every person makes a difference.
Our Basic Beliefs

The Company’s values and principles that guide both strategic decisions and daily behavior.

Our Basic Beliefs are the Company’s values and principles that guide both strategic decisions and daily behavior. 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 principles, the Company prospered.

Today, we who inherit the Smucker name and the Smucker tradition of successful business operations base present practices on these time-honored values and principles: We interpret them, in terms of current business thinking, to be the guideposts for decision-making and daily interactions with consumers, customers, employees, suppliers, communities, and shareholders.

We are fair with our employees and maintain an environment that encourages personal responsibility within the Company, the community, and our lives. We expect our employees to be responsible for not only their individual jobs but for the Company as a whole. We seek employees with integrity who are committed to preserving and enhancing the values and principles inherent in our Basic Beliefs, and who share a passion for Our Purpose.

We firmly believe that:
- Every employee makes a difference.
- An inclusive environment and diverse organization strengthens our Company and enables every employee to reach their full potential.
- Highest quality people produce the highest quality products and services.
- Highest business ethics require the highest personal ethics.
- Responsible people produce exceptional results.

We accept nothing less, regardless of the circumstances. Therefore, we maintain the highest standard of ethics with our consumers, customers, employees, suppliers, communities, and shareholders.

These Basic Beliefs regarding Quality, People, Ethics, Growth, and Independence have served as a strong foundation throughout our history and will continue to be the basis for future strategy, plans, and accomplishments.

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Quality applies to our brands and products, our manufacturing methods, our marketing, our people, and our relationships.

The Smucker family of brands will continue to be known as the highest quality products offered in our respective markets.

Our reputation and business success are built on a foundation of quality, earning the enduring trust of our constituents.

We only offer products that enhance the quality of life and well-being. We continuously look for daily improvements that will, over time, result in consistently superior products and performance.

At Smucker, quality will continue to come first.

We have a strong commitment to the stewardship of the Smucker Company. We strive to be an example of a company that can achieve success while conducting business in accordance with our Basic Beliefs.

We believe that the interests of all of our constituents—consumers, customers, employees, suppliers, communities, and shareholders—are best served by preserving the unique Smucker culture and maintaining our independence.

We strongly believe that our proven track record of creating long-term value has been built on the foundation of our culture and independence.

To us, value means bringing families together, building brands that are among the most trusted with consumers and customers, investing in our communities, developing our people, and ultimately, delivering long-term returns to our shareholders.
As Smucker’s experiences growth in the 80s, we need to ensure that we retain one of Smucker’s most cherished goals – the mutual respect of our fellow employees and an atmosphere that makes people proud to work here. This same commitment can be enlarged to include our customers, suppliers, and shareholders.

Here are a few basic thoughts, when put into our everyday lives, that can help:

THANK YOU FOR A JOB WELL DONE.
This small recognition shows that we notice and appreciate the efforts of our fellow employees.

LISTENING WITH YOUR FULL ATTENTION.
By giving our undivided attention, we are showing that there is nothing more important at that moment than what is being said.

LOOKING FOR THE GOOD IN OTHERS.
By seeing the good in others, we are demonstrating our respect and confidence in their intentions to do what is right, and we are developing an atmosphere where we can grow and learn.

SENSE OF HUMOR.
Our work efforts are important – that is how we set the example and take the lead. Our sense of humor is also important, for that is how we maintain our perspective to our work. Humor, not at the expense of others, but as a brief relief from difficult tasks, can make our working atmosphere more pleasant and enjoyable.

By keeping these few thoughts in our minds every day, we can build a bridge of understanding that will nourish the atmosphere in which we work and our mutual respect for each other. I ask for your commitment to these thoughts; I ask for your commitment to each other.
Our Environment
Our Message
Our Culture
Our Consumers
Our Communities
Working

We strongly believe that our unique culture is the foundation of our long-term business results. Therefore, preserving and strengthening the Smucker culture is of utmost importance. When we talk about our culture, we are referring to an atmosphere in which every employee makes a difference and every employee is proud to work here.

At Smucker, Our Commitment to Each Other and our Basic Beliefs of People and Growth are the foundation of how we think about and support employees. We demonstrate this commitment by saying thank you for a job well done; listening with our full attention; looking for the good in others; and maintaining a sense of humor. As part of our Basic Beliefs, we firmly believe that:

- Every employee makes a difference.
- An inclusive environment and diverse organization strengthens our Company and enables every employee to reach their full potential.
- Highest quality people produce the highest quality products and services.
- Highest business ethics require the highest personal ethics.
- Responsible people produce exceptional results.

When Smucker employees describe what makes this a unique place to work, a common sentiment shared is the sense of family that exists among fellow colleagues, within teams, and across the Company. While focusing on delivering business results, there is also a genuine care and compassion for one another, personally and professionally. Our Purpose is helping to bring families together to share memorable meals and moments, and that sense of family extends to our relationships with others.

Hiring for a Career
Our relationships with employees start at the beginning. We have a long-held philosophy of hiring people for a career—not just an individual job. When employees talk about their tenure and growth at Smucker, it is not uncommon for them to highlight a moment in their careers when a manager challenged them with a new assignment or a different role. They express appreciation for a manager who saw potential in them that they often did not see in themselves. This promote-from-within mindset, in combination with an openness to hiring new skills and experiences externally when needed, has built a strong organization that continues to drive our growth. The effectiveness of this long-term approach and our confidence in our people are reflected in an employee turnover rate that is well below industry average and employee engagement, as measured by sales and profit per employee, that far outpaces industry average.

The Manager-Employee Relationship
An employee’s relationship with their manager is one of the most significant influencers of their experience with the Company and their level of engagement. We challenge our managers to know their employees as individuals, become invested in their development, and provide ongoing, candid coaching and feedback that enable them to grow. We have a special focus on building the leadership and management skills of our managers. In turn, we expect them to foster our culture and create an environment where people can be at their best and reach their full potential.

Professional Growth & Development
Professional development at Smucker reflects our Basic Belief of Growth: “Growing is reaching for that potential through the acquisition of new brands and development of strategic partnerships; innovation leading to the development of new products and new markets; discovery of new management or manufacturing capabilities; and personal growth and development of our people and their ideas.” We support employees by:

- Creating an environment where growth of the Company and every individual is encouraged and developed.
- Promoting employees from within the Company when possible.
- Looking for the good in others, challenging ourselves to identify the strengths of employees, and placing them in roles that best utilize their strengths.
- Providing candid, ongoing feedback regarding individual performance—which is consistent with our Basic Belief of People to be fair with our employees.
- Remaining open to employees taking on new opportunities while balancing the need for business continuity.
- Sharing clear expectations regarding the experiences, knowledge, skills, and capabilities required to perform current roles—and future roles to which employees may aspire.

Similarly, we believe it is in the long-term best interests of our employees and the Company to work together directly without the influence of an external third party. Nevertheless, we have always respected our employees’ right to choose whether to be represented by a third party. Today, less than half of our manufacturing facilities in North America are covered by collective bargaining agreements.

We have a special focus on building the leadership and management skills of our managers. In turn, we expect them to foster our culture and create an environment where people can be at their best and reach their full potential.
Helping employees understand career path alternatives. We know that no two people – or careers – are the same. There is no single career path; and

Providing access to learning and development opportunities – internally and externally – based on the individual’s interests and the Company’s needs; and

Treating employees as individuals. Every employee’s career objectives and work expectations are different. We recognize that personal and professional needs change throughout one’s career.

In turn, we expect our employees to:

- Understand and explore what they are passionate about;
- Communicate their interests to their manager and others;
- Commit to continuous improvement – of themselves and the Company – by embracing a learning mind-set;
- Learn our industry and business; and
- Understand our constituents.

At Smucker, we have a comprehensive approach to developing our people:

- Manager-led coaching, performance feedback, and career development;
- Corporate-led core training that provides a strong, consistent foundation regarding our culture, how we work with each other, and how we manage people;
- Department-led training that provides the opportunity for employees to deepen their functional technical skills; and
- Self-led development that provides opportunities for individuals to take part in external seminars, training, professional organizations, and industry-sponsored activities;
- A 100 percent tuition reimbursement program;
- Leadership and management training in partnership with world-renowned universities and leadership development organizations; and
- Coaching provided by external leadership coaches.

Our training programs combine classroom-style instruction with relationship building. Employees learn “who we are” and “how we work as a Company.” We purposefully create cross-functional training environments and include participants from across our locations so that employees can meet people with whom they do not have everyday contact.

Our Company culture is reinforced through consistent and frequent communication with all of our employees. Our ultimate communications goal is to ensure that each employee has a deep understanding of our Strategy and culture that will guide and inform their decision-making. We believe that with full visibility into our Strategy and shared objectives, every employee is empowered to make a difference.

Personal Communications with All Employees
Ours is a simple but effective management strategy that has withstood the test of time, weathered complex business environments, and evolved with our business through the years. Our Strategy has guided our growth while we have maintained our focus on our culture. Even as our Company has expanded, we have continued to emphasize and practice the concept of “Management by Walking Around” wherever practical. At Smucker, a face-to-face or live telephone conversation is always preferable to facilitate good communications and mutual understanding.

Inclusion & Diversity
We value our employees and believe we must all embrace and take ownership of the Company’s commitment to diversity in the workplace. We believe that an inclusive environment and diverse organization strengthens our Company and enables every employee to reach their full potential. We expect our leaders, managers, and employees to work together to live the principles and values consistent with our Basic Beliefs and

Our Commitment to Each Other, which include promoting an atmosphere of mutual respect and inclusion. We recognize that families are defined in diverse ways, and we believe that we serve our constituents by being an equal opportunity employer and through employees who represent diverse demographics, backgrounds, experiences, and perspectives.

Employee Well-Being
Personal well-being is a way of life that leads to more balanced, healthier, and happier living. It is a path shaped by daily choices, and it means something different for each individual. Well-being is important because it enables people to perform at their best – both at work and at home. Caring for our employees is consistent with our unique culture. We believe in the value of investing in an overall environment of health and well-being for employees. Not only is this the right thing to do, but it

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also makes natural business sense: happy and healthy employees performing at their best translate into better business performance.

Our focus is on helping employees and their families improve or maintain physical, emotional, and financial well-being – all of which are interconnected. We offer a variety of options that support employees through all stages of their lives and careers.

Employee Safety
We continue to focus on the importance of the health of our people and the safety of our workplace with an overall corporate goal to reduce our total incident rate (TIR) and our incident losses to zero. We have a philosophy that employee health and safety are everyone’s responsibility, and all of our employees have an opportunity to contribute toward our goals. From fiscal 2014 to fiscal 2015, we have maintained our outstanding results and we continue to deliver best-in-class performance for employee safety across the Company.

Ethics
As one of our Basic Beliefs, Ethics and ethical conduct are vital to ensure successful, sustained business relationships with our consumers, customers, employees, suppliers, communities, and shareholders. Because ethics are so inherent to our culture, ethical conduct at Smucker is principles-based rather than rules-based. It is the philosophy of our Company that ethical conduct involves more than simply obeying a set of rules. It means being “ethically fit” in the sense of being ready and able to make the ethical choice in a situation where there is no established rule and where none of the apparent choices are clearly right or wrong.

Our Code of Business Conduct and Ethics outlines our expectations across numerous areas and situations where ethical choices might be necessary, including creating a positive work environment; engaging with customers, suppliers, and competitors, handling confidential information; avoiding conflicts of interest; avoiding the exchange of gifts, meals, and entertainment; avoiding bribery and corruption; and avoiding insider trading. Our Code of Conduct applies to our employees, our officers, and Directors, all of whom are required to receive, review, understand, acknowledge, and adhere to the Policy.

We continue to reinforce our Ethics Basic Belief through a number of communications and training opportunities for all of our employees on an ongoing basis.

Our Company also has a number of more specific policies that amplify the principles highlighted in our Code of Conduct. Training on these principles is provided to employees using a risk-based approach to ensure employees receive training that is relevant to their roles.

Corporate Governance
The J.M. Smucker Company is a publicly traded company whose shares are listed on the New York Stock Exchange (NYSE). A diverse, 13-member Board of Directors governs the Company on behalf of our shareholders. The majority of our Directors are independent under the rules of the NYSE and the U.S. Securities and Exchange Commission (SEC). The role of the Board is outlined in the Company’s Corporate Governance Guidelines, which are designed to conform the Board’s independence from management and its role of aligning management and Board interests with the interests of our shareholders. The Board has three committees – Audit, Executive Compensation, and Nominating and Corporate Governance – all of which operate under written charters and all the members of which are independent under the rules of the NYSE and the SEC. The Corporate Governance Guidelines and committee charters are available on our Company’s website at jmsmucker.com/investor-relations.

The Nominating and Corporate Governance Committee and the Board consider a diverse group of experiences, characteristics, attributes, and skills, including diversity in gender, ethnicity, race, cultural background, and age, in determining whether an individual is qualified to serve as a Director of the Company. While the Board does not maintain a formal policy regarding diversity, it does consider the diversity of the Board when considering Director nominees. Diversity is important because a variety of points of view contribute to a more effective decision-making process.

Additional information about the Board is included in the Company’s most recent Proxy Statement, which is available on our Company’s website.
Our Consumers

Our family of brands has grown into a wide variety of quality products that meet the high standards consumers expect from Smucker. As we continue to grow, we are focused on providing consumers with products that meet ever-changing needs and that are delicious, convenient, and “good and good for you.”
Our Purpose:
Helping to bring families together to share memorable meals and moments.

We have always defined success by more than financial performance. We believe how we do things is as important as what we do. Our Purpose aims to articulate why we are in business and the impact we aspire to have on society.

Being together with the ones we love isn’t just a pleasant way to spend time – it’s vital to a healthy, happy, fulfilling life. In fact, the more family and friends spend time with each other, the richer their lives become. We believe we can help strengthen families through the memorable meals and moments they share, and we can help make every day a little more special by nurturing the bonds that bring people and their pets closer together. And the stronger families are today, the stronger our society will be tomorrow. Quite simply, life tastes better together.

Achieving Our Purpose is what motivates and inspires our employees – people who strive every day to provide high-quality products that help families create memorable meals and moments together.

We are honored that consumers choose our iconic brands and portfolio of trusted products as part of their everyday meals, snacks shared with friends, and family celebrations. It is through these times that we connect with each other, nurture relationships, build meaningful traditions, and create lasting bonds with those most special to us. And with the recent addition of pet food and pet snacks to our family of brands, we are bringing the entire family together – nurturing bonds and helping to make every day special.

At Smucker, we recognize and respect the power of family mealtime. By focusing our business around delicious, convenient, and “good and good-for-you” products, we help support the power of family meals and all its benefits.

The Power of Family Meals
Our website poweroffamilymeals.com is a resource that provides advice from Miriam Weinstein, author of The Surprising Power of Family Meals, as well as recipes and meal-planning tools for families. The site offers tools, tips, and advice that help families create mealtime traditions of their own.

We are also a long-time supporting partner of “Family Day – A Day to Eat Dinner With Your Children™,” held annually in September (casafamilyday.org). Family Day supports Our Purpose as it encourages parents to connect with their children various times throughout the day, particularly during family dinners.

Disconnect to Reconnect
Busy and hectic lifestyles make it hard enough for families to gather together around the table. When they do find time to sit down together, it is important to focus on each other. This is why Smucker has created a pledge that encourages families to disconnect from their devices in order to reconnect with each other. The pledge calls for families to share at least one technology-free meal a week. Families can take the pledge by visiting our Power of Family Meals website.
Products

Product Quality
When Jerome Monroe Smucker began selling apple butter from the back of his horse-drawn wagon, each crock bore a hand-signed seal as his personal guarantee of quality. Five generations later, the Smucker name remains associated with the highest quality products. So, it is fitting that Quality is not only one of our Basic Beliefs, but also one of our Smucker Quality Management System (SQMS) Pillars, an internal and integrated work system that is composed of 11 Pillars, or Centers of Excellence. Our quality initiatives focus on achieving zero product defects or quality incidents, as well as ensuring that product quality expectations and all product regulatory requirements are met or exceeded.

Annual audits of our internal manufacturing sites, contract manufacturing sites, and supplier sites are a key part of our corporate quality assurance program. This approach promotes a focused and continuous process that identifies improvement opportunities within all relevant internal and external quality assurance programs. To further broaden our efforts, we have developed a “Food Safety 101” course to provide an understanding of food quality, food safety, and food defense fundamentals to employees who visit with suppliers frequently. Additionally, many of our employees are engaged in food safety training with universities, technical organizations, and third-party consultants across the country.

We support and participate in the Global Food Safety Initiative (GFSI) managed by the Consumer Goods Forum, an independent global network for consumer goods retailers and manufacturers. GFSI has certified a limited number of organizations or “auditing bodies” whose auditing schemes meet GFSI’s rigorous global quality and food safety standards. All Smucker sites are GFSI-certified.

The Company supports the Food Safety Modernization Act, which requires many new responsibilities for food companies. The legislation has a major focus on prevention, with risk-based priorities to ensure a safe food supply for all consumers. We implemented many of the provisions of the law prior to its passage and will continue to provide input to the U.S. Food and Drug Administration as the new regulations are finalized and implemented throughout the next several years. Our quality systems are well prepared for when the final guidance is issued.

Product Choice
As a leading marketer and manufacturer of food products in North America, we believe that we have a responsibility to continually help educate consumers about making wise food choices, emphasizing the value of moderation and the importance of exercise. Within the Smucker family of brands, our goal is to offer consumers a variety of products to meet their diverse needs and preferences. This variety includes multiple flavors and product options, such as reduced-sugar and sugar-free alternatives, gluten-free options, and whole-grain offerings.

Our September 2014 acquisition of Sahale Snacks (“Sahale”), a leading manufacturer and marketer of premium nut and fruit snacks, further diversified our consumer offerings. Sahale offers innovative snacking products with unique ingredient combinations and adventurous flavor profiles. This acquisition creates opportunities to reach new consumers in the snacking category, while also adding more gluten-free and non-GMO choices to our product portfolio.

In fiscal 2015, we expanded our consumer focus to include not only people, but also their pets – cherished members of the family – through our acquisition of Big Heart, a leading producer, distributor, and marketer of premium-quality pet food and pet snacks in the U.S. This addition enables us to deepen the emotional bond we create with consumers and broadens our connection with the approximately two-thirds of U.S. households that have a family pet. Big Heart brings many of America’s best-loved pet brands to our portfolio, including Meow Mix®, Milk-Bone®, Kibbles ‘n Bits®, 9Lives®, and Natural Balance®, just to name a few.

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PRODUCT CHOICE
Within the Smucker family of brands, our goal is to offer consumers a variety of products to meet their diverse needs as we fulfill Our Purpose of helping to bring families together to share memorable meals and moments.

Our Pillbury™ Purely Simple™ baking and frostings mix are made with simple ingredients with no colors, preservatives, or artificial flavors.

Sahale Snacks® offers a variety of unique ingredient combinations and adventurous flavor profiles that take everyday snacking Beyond Ordinary® and expands our gluten-free and non-GMO choices.

All of our Santa Cruz Organic® and R.W. Knudsen Family® juices are Non-GMO Project® Verified.

Our 9Lives® Fruit Cup® pure blended fruit pouches meet on-the-go, “better for you” snacking needs, and contain no preservatives, added sweeteners, or artificial flavors.

Milk-Bone® Brushing Chews™ dental treats provide an easy and effective way to care for your dog’s teeth.

Crissco® coconut oil provides an alternative oil option and is certified USDA organic.

Our Purpose is to help bring families together to share memorable meals and moments.
Product Innovation
We continue to make significant investments in product innovation to provide consumers with additional product choices to meet their diverse needs for taste, convenience, wellness, and value across all of our product categories. In fiscal 2015, we launched more than 100 new products. Many of these items focus on consumer preferences to incorporate products with simpler labels and more protein into their diet.

In the baking aisle, for example, Pillsbury™ recently launched Pillsbury™ Purely Simple™, a line of baking and frosting mixes made with simple ingredients with no colors, preservatives, or artificial flavors. We also launched multiple gluten-free options including Pillsbury™ gluten-free flour blend and baking mixes and Hungry Jack® gluten-free pancake mix. Our Jif® brand continues to be a leader in innovation as we introduced Jif To Go® Dippers™, a grab-and-go snack with peanut butter and pretzels, and multiple flavor options for Jif Whips spreads. Our Folgers® brand continues to offer ways to meet consumer coffee needs anytime throughout the day. Our recent launch of Folgers Iced Café™ Coffee Drink Concentrates provide a simple, convenient way to create delicious iced coffee by adding them to cold milk. Our Folgers Flavors™ Coffee Enhancers allow consumers to personalize their coffee experience by adding flavors to their favorite coffee roasts.

Responsible Marketing
Smucker has a long-standing commitment to responsible marketing and advertising, with very stringent guidelines in place regarding advertising placement, content, and target audience. Our guidelines prohibit marketing to children under the age of 18. Although marketing programs and packaging may appeal to the entire family, our messaging is clearly directed to adults, with advertisement placement limited to programming and media outlets where children constitute no more than one-quarter of the audience. We are honored to have been recognized numerous times for our responsible advertising practices by the Parents Television Council (PTC), a nonpartisan organization that advocates for responsible entertainment.

Smucker is an official sponsor of the 2016 U.S. Olympic and Paralympic Teams competing in Rio de Janeiro, Brazil. This follows our sponsorship of the U.S. teams that competed in Sochi, Russia, during the 2014 Winter Olympic Games, a historic first for our Company. Much like Our Purpose of helping to bring families together to share memorable meals and moments, the Olympic Games strengthen bonds between families and friends as they come together to celebrate the special moments of our athletes and the Games.

Consumer Communication
Beyond advertising, the labeling of our products is an important element of our brand-building and marketing efforts. All labels for our products are reviewed for legal and regulatory compliance. In addition, several of our internal regulatory compliance analysts are registered dietitians who verify nutritional claims. These nutritionists also review advertising and other marketing vehicles, such as media placements, to ensure that they are consistent with our marketing guidelines.
as websites, to ensure that accurate information is imparted to our consumers. As a practice, we avoid claims about our products relating to health conditions or disease.

We make open and ongoing dialogue with our consumers a priority. Our marketing practices include frequent research into consumer preferences and needs in order to help guide our product development initiatives. Our Consumer Communications Center is staffed with representatives who serve as an important link between our Company and consumers through daily phone and email interaction. These representatives, who are based at our headquarters, receive extensive training, so they are well equipped to provide information and answer questions about our entire portfolio of products. In addition, we frequently engage with consumers through numerous brand-related social media outlets, such as Facebook®, Twitter®, Pinterest®, Instagram®, and YouTube®.

**Healthy Weight Commitment Foundation**

We were honored to be among the founding members of a major initiative, the Healthy Weight Commitment Foundation (HWCF), to help reduce the incidence of obesity, especially among children, in the United States. As part of HWCF’s efforts, Smucker was among a group of 16 leading food and beverage companies that pledged in 2010 to collectively remove 1 trillion calories from the marketplace by 2012 and 1.5 trillion by 2015. We were pleased that the companies, acting together, far exceeded that goal. Between 2007 and 2012, participating companies cut 6.4 trillion calories from the U.S. marketplace, according to the findings of an independent evaluation funded by the Robert Wood Johnson Foundation. The evaluation found that participating companies had exceeded their 2015 pledge by more than 400 percent, in part by providing better-for-you, lower-calorie product choices.

Smucker also supports the HWCF Together Counts™ platform, which is a joint effort with Discovery Education to provide resources to schools, communities, and parents to help them encourage active, healthy lifestyles. More than 23 million pre-K—5th grade students engaged with the curriculum, which is aligned to national education standards as well as SNAP, WIC, Head Start, and the HealthierUS Schools Challenge.
Our Environment

Create a better tomorrow by focusing on preserving our culture, ensuring our long-term economic viability, limiting our environmental impact, and being socially responsible.

In This Section:
- Our Approach
- Goals & Progress
- LEED Certification
- Supplier Relationships
- Responsible Sourcing
- Green Coffee Sustainability
Environmental responsibility is a natural part of our heritage. Today, we incorporate environmental considerations into virtually every aspect of our operations — from large projects such as the construction of LEED®-certified facilities to everyday practices such as the use of recyclable materials in our cafeterias.

An internal, cross-functional Sustainability Steering Committee guides our formalized environmental initiatives and is charged with developing and overseeing a long-term integrated Sustainability Strategy, as well as establishing key metrics, goals, and reporting structures. The Committee focuses on a variety of sustainability areas, such as operations and supply chain, sustainable agriculture, and employee engagement, to name a few. This multidisciplinary team meets on a regular basis to review and plan its ongoing work. Updates on the Steering Committee’s progress are provided to our senior management and Board of Directors.

Plant-Level Leadership
We have active sustainability programs at each of our manufacturing operations, all of which have a specific project plan to help us meet our corporate goals. These plans are based, in part, on the results of waste stream, water, and energy audits. Projects are evaluated for implementation with an eye toward balancing the water, energy, and emissions reduction benefits with the return on investment. Plants post their plans and progress to date in visible locations so that all employees know what is required to achieve plant-specific goals.

Sustainability Pillar leaders at each of our plants are critical to the implementation of these plans and strategies. Specifically, these leaders are charged with identifying and implementing waste, water, emissions, and energy reduction projects. Even more important, on-site Sustainability Pillar leaders help engage all employees at each location in order to nurture a sustainable mind-set throughout our Company. Sustainability Pillar leaders from each of our facilities come together quarterly throughout the year for a two-day meeting to discuss the different sustainability projects that are being implemented at each facility, review best practices, and collaborate on sustainability plans and initiatives.

Source Reduction Through Packaging
We continually examine packaging options for our products, and our goal is to use fewer resources and more energy-efficient product distribution methods. When designing new packaging, we consider environmental factors throughout the entire process, including minimizing the amount of packaging materials, using recycled content, and minimizing food waste, all while protecting food safety and quality. We also work to ensure the recyclability of as many of our packaging materials as possible. Currently, the majority of our products have packaging materials that can be recycled by consumers.

Environmental responsibility is a natural part of our heritage. Today, we incorporate environmental considerations into virtually every aspect of our operations — from large projects such as the construction of LEED®-certified facilities to everyday practices such as the use of recyclable materials in our cafeterias.
Goals & Progress

Measuring and monitoring our progress are important parts of our strategy to minimize our environmental footprint. In 2009, we established three rigorous five-year environmental goals to achieve by the end of 2014. Since then, we have surpassed our waste diversion goal and made significant progress toward our water intensity goal, and our greenhouse gas (GHG) emissions intensity has remained relatively flat due to changes in our manufacturing footprint.

During that initial five-year period we learned from both our challenges and our successes, and our performance helped to form our 2020 targets. Currently, we are working to achieve three goals by 2020:

- Divert 95 percent of waste from landfill to alternative use.
- Reduce water usage by 15 percent.*
- Reduce greenhouse gas emissions by 10 percent. *

*Baseline 2014 intensity based per equivalent unit of production.

In addition to reporting annually on these goals, Smucker continues to voluntarily participate in the CDP Climate Change and Water Programs. With our recent acquisition of Big Heart in fiscal 2015, we look forward to incorporating the sustainability data from the pet food and pet snacks business in the future.

As part of our annual sustainability reporting process, our external auditors perform independent assurance procedures in accordance with the attestation standards established by the American Institute of Certified Public Accountants. Both our emissions and our water withdrawals at all of our wholly-owned facilities are assured within our reporting boundaries, including our Corporate headquarters. The financial control approach was established for our reporting boundary using criteria from The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Protocol and encompasses our North American business. Our emissions are assured as total Scope 1 and Scope 2 separately, and emissions are examined to obtain a high level of assurance. Our total water withdrawal is reviewed to obtain limited assurance. The two Reports of Independent Accountants can be found at page 56 and the inside back cover of this report.

We are committed to water management best practices that focus not only on water conservation, but also on how we use water internally and the quality of the water we discharge into the ecosystem. Water use surveys conducted at all of our sites enable us to focus on opportunities to recycle, reuse, and reclaim wastewater across our manufacturing footprint.

Through 2014, we have reduced water intensity by 23 percent against a 2009 baseline. This equates to approximately 366 million gallons, or enough water to supply more than 2,487 homes for a year. While all of our plants are focused on our goal of reducing water usage, we have placed a priority on our most water-intensive facilities, as they have the largest impact on our overall water use. These targeted efforts are making a significant difference in our overall water reduction results.

Our progress toward GHG emissions intensity reduction continues to be slower than we anticipated when we first began reporting in 2009. Since that time, GHG emissions have remained relatively flat from our baseline. Gains made through capital improvements such as more energy-efficient lighting, chillers, air compressors, and other plant systems have been offset by changes in our manufacturing footprint. With 94 percent of our GHG emissions generated by electricity, stationary, and steam sources, we continue to pursue opportunities to improve our performance.

Renewable energy, for example, is an area that we continue to evaluate. To date, our investments have included solar arrays and methane turbines at our natural foods campus in Chico, California. Two of our brands, Santa Cruz Organic and Sahale Snacks, also purchase renewable energy credits and place renewable energy seals on their products. As with all capital projects, we will continue to weigh the environmental benefits of renewable energy in relation to its return on investment.
2014 RESOURCES CONSERVATION AT U.S. PLANTS

CHICO, CALIFORNIA
This site became the first within Smucker to achieve external zero waste certification by the U.S. Zero Waste Business Council. The facility received a platinum-level rating for its waste reduction achievements, the highest rating available.

SCOTTVILLE, KENTUCKY
A new full-time sustainability technician will focus on enhancing employee engagement on the plant floor in order to improve recycling and other resource conservation measures.

GENTILLY, LOUISIANA
Projects implemented over the past five years are reducing GHG emissions by more than 5,000 tons annually.

BUFFALO, NEW YORK
The Milk-Bone manufacturing facility has not sent any waste to landfill for five years in a row and has recycled 21 million pounds of waste since 2008.

CINCINNATI, OHIO
With a landfill diversion rate of 97 percent, this site is expected to pursue zero waste certification in the near future and is working with the Ohio By-Product Synergy Network, which matches by-product streams with other potential users.

ORRVILLE, OHIO
The automation of a new filler basin spray is expected to save more than 2 million gallons of water monthly in this fruit spreads manufacturing facility, one of our largest consumers of water.

TOLEDO, OHIO
Process improvements will lead to a 10 percent reduction in CO2 emissions.

MEMPHIS, TENNESSEE
Our newly converted peanut butter facility incorporates multiple sustainable features, including variable frequency drives for most operating systems that optimize the electric usage to the production need. Additionally, controls were added to improve shutdown procedures to reduce energy usage.

EL PASO, TEXAS
Increases in condensate water storage have resulted in saving three million gallons of water annually.

SUFFOLK, VIRGINIA
Using spent coffee grounds as a fuel source to create steam is just one way that this manufacturing plant sent zero waste to landfill in 2014. Additionally, this plant successfully completed a large expansion project without sending any waste to landfill throughout the entire construction process.
Supplier Relationships

We consider the strength and quality of our relationships with all constituents a core competency for Smucker. Our relationships with suppliers are particularly important, given that they directly impact our ability to meet the product quality expectations of our consumers and customers. To this end, we seek suppliers that have a strategic fit with our business, possess a cultural fit that supports our Basic Beliefs, and meet our operational excellence standards for quality, delivery, and location. In short, we expect every supplier to conduct its business with the same high standards of honesty, fairness, and ethics that we apply to our own business.

In particular, we require our direct suppliers to contractually agree not to employ children, prison labor, indentured labor, or bonded labor or to participate in human trafficking. We also expect our suppliers to maintain and enforce a safe working environment for their employees and one that meets or exceeds all applicable industry and government safety standards.

Using internal resources, we perform scheduled quality assurance audits on select suppliers, during which our auditing personnel look for any evidence of human trafficking and slavery. We will continue to evaluate the risk of human trafficking and slavery in our supply chain as our Company grows, and we will institute training programs for supply chain personnel as necessary to manage any identified risks that could threaten our continued dedication to our Basic Beliefs.

 Responsible Sourcing

As a leading manufacturer and marketer of food and beverage products, Smucker is committed to supporting a supply chain that is always mindful of its Economic, Environmental, and Social impacts. We approach product sourcing in a manner that is consistent with our Basic Beliefs of Quality, People, Ethics, Growth, and Independence. As a result, we strive to source our products with a comprehensive view that accommodates both responsible sourcing practices and marketplace business dynamics.

Our ongoing industry dialogue includes our membership in The Sustainability Consortium (TSC), an independent organization committed to the development of transparent strategies and tools to drive sustainable products and supply chains. As part of our efforts to better understand sustainable agricultural practices, we partnered with TSC, the University of Arkansas, and Arizona State University to conduct a water risk analysis in seven key company supply chains. The research used provided insight on production intensity, irrigated versus rain-fed crops, and relative water risks to global supply versus our sourcing regions.

Our Palm Oil Sustainability Commitment is based on the following principles:
- Protecting Forests
- Protecting Peat Lands
- Fostering Positive Impacts on Human and Community Rights

Our Sustainable Palm Oil Commitment

Though palm oil represents a relatively small percentage of our commodity purchasing, Smucker has committed to develop a fully sustainable and traceable palm oil supply chain that ensures 100 percent of our direct palm oil purchases are from responsible and certified sustainable sources by December 2015. To this end, we began the purchase of sustainable palm oil from Roundtable on Sustainable Palm Oil (RSPO) certified sources in 2012 and received RSPO certification in January 2013. We are confident we will achieve our palm oil commitment, as currently 97 percent of our direct palm oil purchases are RSPO certified.

RSPO is the leading not-for-profit association uniting more than 2,000 members in the palm oil sector to develop and implement global standards for sustainable palm oil. In 2014, 6.8 million acres of palm production were certified according to the RSPO principles and criteria.

Our Palm Oil Sustainability Principles

- Protecting Forests
  - No development in high carbon stock forest areas or high conservation value areas.
  - No burning to clear land for new planting or replanting
- Protecting Peat Lands
  - No new development on peat lands, regardless of depth.
  - Apply Best Management Practices for existing plantations on peat lands and explore options for restoration when feasible.

SUSTAINABLE BUILDING

LEED® Certification for construction projects is one way we are realizing our vision to construct sustainable workspaces. We have made a commitment to strive for LEED® certification on major new construction projects. Today, we are proud to have five facilities that have earned this distinction.

- One Strawberry Lane Central Building, Orrville, Ohio LEED Silver® Certified, 2012
- The J.M. Smucker Company Store and Café, Orrville, Ohio LEED® Certified, 2008
- Heritage Manufacturing Plant, Orrville, Ohio LEED® Certified, 2014
- Lexington Learning Center, Lexington, Kentucky LEED® Gold® Certified, 2011
- Smucker Natural Foods Distribution Warehouse, Chico, California LEED Gold® Certified, 2009
Our Environment

- Fostering Positive Impacts on Human and Community Rights
  - Respect and support the Universal Declaration of Human Rights.
  - Respect and recognize the rights of all workers.
  - Facilitate the inclusion of smallholders into the supply chain.
  - Prevent forced labor and child labor in our supply chain.
  - Respect human and community rights; and resolve any conflicts through an open, transparent, and consultative process.

- Ongoing efforts in understanding the coffee supply chain and the multidimensional issues associated with green coffee.

- Participating as a member of the RSPO and requiring that 100 percent of our direct palm oil purchases come from suppliers that are RSPO members and that operate in compliance with RSPO Principles and Criteria.

- Requesting our suppliers demonstrate a progressive reduction in the greenhouse gas emissions of the plantations they own and report on the greenhouse gas emissions of their operations.

- Supporting the Consumer Goods Forum pledge to help achieve net zero deforestation by 2020, as a member of the organization.

- Annually reporting progress on achieving our commitments as part of our Corporate Responsibility Report updates.

Green Coffee Sustainability

As a market leader in the U.S. coffee category through our Folgers®, Millstone®, Dunkin’ Donuts®, Café Bustelo®, and Café Pilon® brands, we purchase most of our coffee from major suppliers. Yet, we realize there is a need to help sustain the viability of small family farmers, who are an important part of the coffee supply chain. To this end, we are committed to a green coffee strategy built around three elements:

- Responsible Sourcing.
- Smallerholder Support, and
- Integrated Environmental Efforts.

These three elements are focused strategically on long-term supply, producer viability, and climate change—issues that we believe are critical to supply chain participants, customers, consumers, and shareholders.

We developed this strategy based on collaboration with suppliers, industry organizations, outside experts, and nongovernmental organizations. In addition to engaging with stakeholders, we drew upon our strong internal knowledge of the coffee supply chain, our experience of working in more than 20 coffee-producing countries, and our deep appreciation for the many facets of the coffee supply chain. This background led us to view our approach from a long-term perspective that is consistent with our own business philosophy and integrates all stakeholders in the supply chain and the multidimensional issues associated with green coffee.

Responsible Green Coffee Sourcing

Smucker is committed to purchasing green coffee in a responsible manner. We have extensive internal processes and controls to help us keep this commitment. Our coffee suppliers, for example, must sign and abide by our Master Agreement and Operating Guidelines, which address laws pertaining to human rights, environmental practices, and safety procedures. Our coffee trading team has years of industry experience and has developed many long-standing supplier relationships, which are invaluable to ensuring the integrity of our efforts. In addition, this team conducts site visits to coffee-producing countries each year to maintain open and transparent dialogue.

Responsibility and support include:

- Fostering Positive Impacts on Human and Community Rights

- Ongoing efforts in understanding the coffee supply chain and the multidimensional issues associated with green coffee.

- Participating as a member of the RSPO and requiring that 100 percent of our direct palm oil purchases come from suppliers that are RSPO members and that operate in compliance with RSPO Principles and Criteria.

- Requesting our suppliers demonstrate a progressive reduction in the greenhouse gas emissions of the plantations they own and report on the greenhouse gas emissions of their operations.

- Supporting the Consumer Goods Forum pledge to help achieve net zero deforestation by 2020, as a member of the organization.

- Annually reporting progress on achieving our commitments as part of our Corporate Responsibility Report updates.

Our Green Coffee Sustainability Vision

We will offer a coffee experience that transforms lives via responsible sourcing, smallholder support, and integrated environmental efforts that enable a viable livelihood for producers so that generations of consumers enjoy a sustainable cup of coffee.

Purchases of green coffee certified by third parties are another important part of our responsible sourcing strategy. Smucker is on track to achieve our goal for certified green coffee purchases to reach 10 percent of our total retail purchases by 2016, which we believe will represent the highest level of certified purchasing by any mainstream coffee roaster in North America. In fiscal 2015, 8 percent of coffee purchased was certified, and we anticipate reaching our goal before the 2016 target.

In fiscal 2015, Smucker was the largest North American purchaser of coffee certified by UTZ, which covers a broader spectrum of origins and coffee varieties that can be applied across our entire portfolio of coffee products. UTZ activities focus on professional farm management practices so that producers earn a better price for their product. In Colombia, for example, the yield for UTZ-certified farms rose by more than 200 percent by the fourth year of being in the program compared with results from a control group.

UTZ Certified represents the largest available supply of certified coffee and is grown in more than 20 countries. Through our partnership with UTZ Certified, we’ve introduced consumers to sustainable coffee practices that enable better farming and a better future for all stakeholders. We also continue to purchase certified coffee from farms that are Rainforest Alliance Certified™ and through Fair Trade Certified™.
Green Coffee Smallholder Support

Much of the world’s coffee supply is grown by individual farmers on small parcels of land in developing countries, where the opportunity to improve agricultural and business practices is often significant. Sustainable coffee supply and the economic viability of these small growers must be linked. For this reason, we partner with leading development organizations to better address holistic and systematic improvement in coffee regions.

One long-term partner is TechnoServe, a well-respected nonprofit organization dedicated to empowering people in the developing world to build businesses that break the cycle of poverty. TechnoServe has developed an adult-learning model for coffee farmers that incorporates information with a hands-on approach, along with demonstration plots to show results. While other training programs bring farmers to classroom settings, TechnoServe conducts trainings on coffee farms, using highly participative adult education best practices. Rather than cover concepts in a single session, TechnoServe offers an 18-month program to fully cover a coffee-growing cycle, as well as to cover additional training topics such as finance, farm management, and gender equity. Upon completion of this intensive training, farmers have the necessary knowledge to maintain high yields, be more resilient, and have greater long-term economic potential.

In 2014, TechnoServe worked with 156,000 coffee farmers to increase yields. The goal is to increase coffee productivity and farm revenues by 25 percent. In addition, the project will focus on improved farmer access to appropriate inputs like financing and quality planting materials. The experience of TechnoServe in coffee and in Central America is enabling a faster than normal start-up for the project. In its initial months, nearly 5,000 farmers have registered to participate, and 20 community trainers have been hired and trained. Women are a special focus of the project. About a third of the trainers are women, and the hope is that 25 percent of program participants will be women.

Our work in Central America with TechnoServe is similar to another project under way in Indonesia through our partnership with the Hanns R. Neumann Foundation (Neumann Foundation), a private, nonprofit development organization based in Germany that implements sustainable economic development programs and projects with smallholder coffee and cocoa farmers around the world. The current 37 Neumann Foundation projects are supporting 155,000 producers in 13 countries to improve their production systems, entrepreneurial skills, and incomes – while protecting and conserving vital natural resources. Many of the agricultural strategies imparted by TechnoServe, the Neumann Foundation, and others help address the unique environmental conditions for coffee production, including elevation, temperature, precipitation, and soil.

Our partnership continues with World Coffee Research (WCR), which aims to increase the availability of quality coffee in a sustainable manner through research and development. WCR is focused on finding solutions to four major supply constraints and threats to coffee in the 21st century including climate change, disease and insect pressures, aging tree stock, and increasing consumer demand. Current research highlights include:

- Combating Disease
- Improving Seed Stock
- Expanding Diversity
- Breeding for the Future
- Strategizing for Climate Change
- Building New Origins
- Improving Sensory Language and Quality Systems

During 2014, we continued working on the ground with the Neumann Foundation in Indonesia. Here, we are collaborating on a direct outreach project with smallholder coffee producers in the mountain regions of southern Sumatra. Indonesia is a significant producer of coffee but is challenged by extremely low yields that often result in difficult economic, social, and environmental conditions in farming communities. Our project has set a goal to increase coffee yields by 50 percent for up to 5,000 participating farmers by providing them with technical expertise, as well as strengthening farmer organization.

In its second year, registration reached slightly more than 4,000 smallholders who live in remote areas with limited access to extension services or best practices. Active training has begun with approximately one-half of these farmers and is expected to increase significantly as project technicians support farmer trainers and government extension officers to lead sessions on their own. This training takes an intensive, farmer-centric approach in which the participants are active in determining what type of training they need and receive an estimated 25 direct interactions for training and consultation during the project. Our investments also are benefitting Indonesian government extension officers who are lending in-kind support, as well as incentivizing other public and private funding in the region.

Green Coffee Integrated Environmental Efforts

The world’s growing consumption of coffee, combined with increasingly variable climate conditions in many regions of the world, requires development of ways to increase production yields while protecting natural resources. Many of the agricultural strategies imparted by TechnoServe, the Neumann Foundation, and others help address the unique environmental conditions for coffee production, including elevation, temperature, precipitation, and soil.
As one of only a handful of foundational companies that led to the creation of World Coffee Research, Smucker quickly understood the necessity to create a non-competitive, industry-wide research and development program in order to sustain supplies of quality coffee. Smucker is much more than a financial supporter. The Company cares about coffee producers and plays an active role in the direction of WCR research and its global strategy, resulting in technology that ultimately improves producer livelihoods.

Tim Schilling
Executive Director, World Coffee Research

**OUR GLOBAL COFFEE MARKET ENGAGEMENT**

As the largest mainstream coffee roaster in North America, we draw upon years of global market experience to source coffee from around the world in a responsible manner. Some of our direct global engagement includes offices in several of the largest coffee-producing countries, as well as program support for efforts to improve the long-term sustainability of smallholder coffee farmers. The following table highlights countries where we have activities.

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of Coffee Farmers</th>
<th>Production Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazil</td>
<td>274,000</td>
<td>1</td>
</tr>
<tr>
<td>Vietnam</td>
<td>509,235</td>
<td>2</td>
</tr>
<tr>
<td>Indonesia</td>
<td>1,500,000</td>
<td>4</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>44,519</td>
<td>13</td>
</tr>
<tr>
<td>El Salvador</td>
<td>19,600</td>
<td>18</td>
</tr>
</tbody>
</table>

**Smucker Office**

<table>
<thead>
<tr>
<th>Type of Activities</th>
<th>Brazil</th>
<th>Vietnam</th>
<th>Indonesia</th>
<th>Nicaragua</th>
<th>El Salvador</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project with Producers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**The Better Coffee Harvest Project: A Closer Look**

This four-year project aims to help 6,000 smallholder farmers increase productivity and revenues, in part by improving access to quality planting materials and financing. In recent years, many of these farmers have had to cope with the negative effects of coffee rust, a devastating leaf fungus that has plagued the region. The Better Coffee Harvest project is being facilitated through TechnoServe and a partnership with Smucker, the U.S. Agency for International Development (USAID), and PIMCO Foundation.
Our commitment to doing the right things and doing things right extends beyond the workplace to the communities where we live and work. We strive to be a company that is an integral part of the community by contributing our financial resources as well as our time, talent, energy, and enthusiasm.

In This Section:
- Community Involvement
- Local Economic Development
- Education
Community Involvement

Our Company exists as part of a global social and public environment, and our continued success and sustainability are dependent on the success and sustainability of the local, regional, national, and even global communities of which we are a part. As a good corporate citizen, we have a responsibility to support – financially and in other ways – organizations, projects, and programs, both public and private, that contribute to the well-being of the total social and public environment. It is in the best business interest of the Company and our shareholders, employees, and customers that we contribute to the long-term development and improvement of these communities, organizations, projects, and programs. Our contributions come not only in the form of donated funds, products, and equipment, but also in the form of donated time. The Company encourages involvement by our employees in community activities, as they play an important role as volunteers for many civic and charitable organizations.

Local Economic Development

We continue to invest in the revitalization of Main Street in our hometown of Orrville. Smucker has purchased more than 10 vacant properties in the downtown area, with the goal of significantly renovating the interiors and exteriors of the properties to attract viable businesses to the community. This includes Smucker, which is using one of the locations for additional office space. Loft apartments also have been created in several of the buildings to provide convenient residential options downtown near the revitalized commerce area. This revitalization project does more than just represent the expansion of commercial activity; it also creates a more prosperous and viable downtown area, enhancing the community experience.

Feeding America® Network

For more than 20 years, we have made product and monetary donations to Feeding America®, a nationwide network of charitable food banks, to help relieve hunger. Through this partnership, we are able to maximize the impact on those communities across the U.S. that need it most and make a difference in the communities in which we have facilities. We have a long-standing relationship with the Akron-Canton Regional Foodbank, located near our corporate headquarters. We continue to provide product and monetary donations to support our communities throughout Northeast Ohio. Additionally, many of our employees volunteer their time at the Foodbank as part of team-building activities.

Boys & Girls Clubs of America

Smucker is proud to be a national supporter of the Boys & Girls Clubs of America, which offers many programs focused on education – particularly literacy, health, nutrition, and character education – all well-aligned with our own business focus and giving philosophy. Our support of Boys & Girls Clubs includes a financial contribution at the national level, and many of our employees donate their time and talents to the local Orrville Club. We also make donations to the Boys & Girls Clubs on behalf of our suppliers and vendors in lieu of holiday gifts.

U.S. Olympic and Paralympic Teams Sponsorship

As a proud sponsor of the 2016 U.S. Olympic and Paralympic Teams competing in Rio de Janeiro, Brazil, Smucker provides financial support to the United States Olympic Committee (USOC) in support of Team USA® athletes. With this monetary contribution, we are supporting Olympic hopefuls as they train to represent Team USA®. We are exceptionally proud to be able to foster the dreams of the talented athletes who represent our country and to honor the mission of the USOC to support Team USA® Olympians and Paralympians in achieving sustained competitive excellence while preserving the Olympic ideals, thereby inspiring all Americans. We have always taken great pride in the athletes who strive to represent the U.S. in the Olympic Games and are honored to have the opportunity to help support their dreams.

Heart to Paw

Our pet food and pet snacks business has developed the Heart to Paw giving program to leverage employees’ passion for pets into community initiatives. This program includes grants that benefit pet organizations selected by employees and donations of pet food and pet snacks. In addition, many of our manufacturing plants have formed long-lasting donation relationships with local pet organizations.
Education

We have a special commitment to education because it is critical to creating better communities for today and tomorrow. Employees at our local plants and facilities frequently volunteer their time and energy to support education initiatives. Many locations participate in Adopt-A-School, literacy, or Junior Achievement® programs in their communities.

Our support of education extends to our own employees. We offer 100 percent reimbursement of tuition costs to employees for Company-approved college courses and offer a scholarship program for children of employees. In addition, the Company matches gifts made by employees to accredited colleges and universities.

Our Company strongly believes in lifelong learning and continuous improvement, which we support through partnerships with local colleges and universities. Smucker has made a significant financial commitment to support ongoing research and student success at The Ohio State University’s College of Food, Agricultural, and Environmental Sciences in Columbus, Ohio. This monetary gift is supporting three scholarship funds within the college in the areas of food science and technology, leadership, and innovation to help prepare students to lead and contribute to Ohio’s food industry. Smucker also provided funding to The University of Akron to develop the Institute for Leadership Advancement at the College of Business Administration. The Institute is creating a framework for educating and training successful leaders through a unique combination of professional development coursework, experiential learning projects, and campuswide forums and workshops.

Additionally, in fiscal 2015 more than 150 college students participated in the Company’s internship program, which provides meaningful on-the-job learning and experience. While internships are structured in a variety of ways, such as year-round work-study programs, all interns execute their assignments as Smucker team members and participate in our “Why We Are, Who We Are” training. Each year, many eligible graduating interns join Smucker in full-time positions, underscoring the effectiveness of this educational program.

Heartland Education Community, Inc.

Shifting the focus from school to education and shifting the responsibility from school to community. This is the focus of the Heartland Education Community, Inc. (Heartland), which started when a group of Orrville, Ohio, citizens came together in 1991 with a focus on improving education throughout the community. Nearly 25 years later, we are proud of the accomplishments this grassroots organization continues to achieve.

Heartland is led by a volunteer steering committee that includes educators, city officials, parents, community leaders, business representatives, social service representatives, and students. Heartland efforts are based on “The Five Cs,” which are fundamental principles about the philosophy of education: Community, Connecting, Continuous Improvement, Critical Thinking, Character Development, and Financial Responsibility.

Through the years, the priorities of Heartland have evolved to serve the needs within the Orrville community. Some key accomplishments of the organization include:

- Character education training in partnership with the Institute for Global Ethics;
- Creation of the Character Education Word of the Month initiative, which earned a “Promising Practice” award from the Character Education Partnership in 2011;
- Creation and support of a long-range facilities plan, allowing the Orrville schools to construct new elementary, middle, and high school buildings;
- Creation and ongoing publication of OrrViews, a community newspaper;
- Support of the Success School mentoring program, and
- Support of the College Academy program.

Heartland’s current priorities, as determined during the steering committee’s strategic planning session, include:

- Continuing promotion of character education in the schools and throughout the community;
- Enhancing communication and strengthening the relationship between the Orrville School District and English Language Learner students and their families;
- Assisting the Orrville School District with efforts to increase academic success in STEM subjects;
- Reinforcing the importance of ethical behavior beyond the classroom and within the workplace; and
- Continuing to support publication of OrrViews community paper.

Heartland also has a physical presence in downtown Orrville that serves as a community connecting place called Heartland Point. Citizens of all ages can participate in lifelong learning classes, hold community meetings, volunteer at the information desk, or informally join friends for a cup of coffee at the café.

Heartland and its programs have received numerous awards through the years, including honors from the U.S. Department of Education. More recently, the Orrville City Schools and Heartland received the Ohio School District of Character designation for their commitment to character education. Orrville was one of 35 schools across the country selected as a finalist for the National School District of Character award.

Smucker has been an ongoing supporter of the Heartland Education Community and is proud of the time and talent that our employees have invested in Heartland throughout the past two decades. The Heartland Education Community embodies our ideas about the ways in which corporate responsibility can help create a better tomorrow.
Our Company

For more than 115 years, The J.M. Smucker Company has been committed to offering consumers quality products that bring families together to share memorable meals and moments.
Our Company

For more than 115 years, The J.M. Smucker Company has been committed to offering consumers quality products that bring families together to share memorable meals and moments. Today, Smucker is a leading marketer and manufacturer of consumer food and beverage products and pet food and pet snacks in North America with annual net sales of approximately $8 billion. In consumer foods and beverages, its brands include Smucker’s®, Folgers®, Jif®, Dunkin’ Donuts®, Crisco®, Pillsbury®, R.W. Knudsen Family®, Hungry Jack®, Café Bustelo®, Martha White®, trueRoots®, Sahale Snacks®, Robin Hood®, and Bick’s®. In pet food and pet snacks, its brands include Meow Mix®, Milk-Bone®, Kibbles ‘n Bits®, Natural Balance®, and 9Lives®. The Company remains rooted in the Basic Beliefs of Quality, People, Ethics, Growth, and Independence established by its founder and namesake more than a century ago. For more information about the Company, visit jmsmucker.com.

Our Locations

CORPORATE OFFICE

Orrville, Ohio

DOMESTIC MANUFACTURING LOCATIONS

Bloomington, Pennsylvania
Buffalo, New York
Chi, California
Cincinnati, Ohio
Decatur, Alabama
El Paso, Texas
Grandview, Washington
Harahan, Louisiana

Oxnard, California
Baton Rouge, Louisiana
Lexington, Kentucky
Livermore, California
Memphis, Tennessee
New Bethlehem, Pennsylvania
New Orleans, Louisiana (3)
Topeka, Kansas

INTERNATIONAL MANUFACTURING LOCATIONS

Sherbrooke, Quebec, Canada

Financial Highlights

NET SALES

Year Ended April 30

2015
2014
2013
2012
2011

Net sales (in billions)
$565.2
$544.2
459.7
479.5
470.9

NON-GAAP MEASURES

We use non-GAAP financial measures including: net sales adjusted for the noncomparable impact of the Big Heart and Sahale acquisitions, the incremental impact of the Enray acquisition and the Cumberland distribution agreement, and foreign currency exchange, gross profit, operating income, income, and income per diluted share, excluding certain items affecting comparability, and first cash flow, as key measures for purposes of evaluating performance internally. We believe that these measures provide useful information to investors because they are the measures we use to evaluate performance on a comparable year-over-year basis. Effective May 1, 2014, we have defined certain items affecting comparability to include restructuring and merger and integration costs ("special project costs") and unallocated gains and losses on commodity and foreign currency exchange derivatives ("unallocated derivative gains and losses") and modified prior year results to conform to the new definition. The special project costs relate to specific restructuring and merger and integration projects that are each nonrecurring in nature and can significantly affect the year-over-year assessment of operating results. Unallocated derivative gains and losses reflect the changes in fair value of our commodity and foreign currency exchange contracts and also affect comparability on a year-over-year basis. These non-GAAP financial measures are not intended to replace the presentation of financial results in accordance with U.S. generally accepted accounting principles ("GAAP"). Rather, the presentation of these non-GAAP financial measures supplements other metrics we use to internally evaluate our 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.

Income taxes, as adjusted
$274.2
$257.8
$251.3
$241.5
$237.7

Income before income taxes excluding certain items affecting comparability
$610.3
$879.4
$871.7
$825.4
$829.2

Income per common share excluding certain items affecting comparability – assuming dilution
$3.88
$5.61
$5.33
$4.78
$4.69

FORWARD-LOOKING STATEMENTS

This 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, except for the following, which are used under license: Pillsbury®, the Barrelhead logo, and the Doughboy character are trademarks of The Pillsbury Company, LLC. Carnation® is a trademark of Société des Produits Nestlé S.A. Dunkin Donuts® is a trademark of DD IP Holder, LLC. Sweet ‘N Low®. NatraTaste®. Sugar In The Raw®, and the other “In The Raw” trademarks are registered trademarks of Cumberland Packing Corp. and its affiliates. and Dr. Oetker® and Pickwick® are registered trademarks of D.E Master Blenders 1753 N.V. Borden® and Elmo are also trademarks used under license. K-Cup® and Keurig® are trademarks of Keurig Green Mountain, Inc., used with permission. Non-GMO Project® Verified is a trademark of the Non-GMO Project, Inc.
About This Report
In preparing this report, we have consulted the Global Reporting Initiative G3.1 reporting framework to serve as an informal guideline for content inclusion. Our reporting boundary encompasses wholly owned businesses in North America that reflect the scope of our business operations. This 2015 report utilizes December 31, 2014, data unless otherwise noted. We thank all our constituents for their support of our economic, environmental, and social initiatives. We also welcome your comments on this Corporate Responsibility Report and your suggestions for future reports. Please direct all such inquiries and comments to jms.cr@jmsmucker.com.

Independent Accountants’ Report
We have reviewed the schedule of total water withdrawal (the “Subject Matter”) included in the accompanying table below as it was calculated by The J. M. Smucker Company (the “Company”) for its intended 2014 submission to the Carbon Disclosure Project (the “CDP”) Water Disclosure and for presentation in the Company’s Corporate Responsibility Report (the “Report”). We do not express an opinion on 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 total water withdrawal for the years ended December 31, 2014 and 2009, is free from material misstatement, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

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 Subject Matter for the years ended December 31, 2014 and 2009 is fairly stated, in all material respects, based upon the relevant criteria set forth above.

May 9, 2014

Report of Independent Accountants
The J. M. Smucker Company
We have reviewed the Schedule of Total Water Withdrawal (the “Subject Matter”) included in the Company’s Corporate Responsibility Report for the years ended December 31, 2013 and 2009 that the Company prepared for its intended 2014 submission to the Carbon Disclosure Project (the “CDP”) Water Disclosure and for presentation in the Company’s Corporate Responsibility Report (the “Report”). We did not review all information included in the CDP disclosure or the Report. We did not review the narrative sections of the CDP disclosure or Report, except where they accompanied the Subject Matter. The Company’s management is responsible for the Subject Matter included in the table below and as presented in the CDP disclosure and the Report; and the selection of the criteria against which the Subject Matter is measured and presented. The responsibility for an opinion on the Subject Matter rests with the Company’s management.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform our review to obtain limited assurance about whether any material misstatement should be made to the Subject Matter. A review requires principally of applying analytical procedures over the accuracy and completeness of the Subject Matter, 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 express reasonable assurance about whether the schedules of Total Water Withdrawal for the years ended December 31, 2014 and 2009, in free from material misstatement, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

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.

May 10, 2015

The J. M. Smucker Company

Schedule of Total Water Withdrawal
For the Years Ended December 31, 2013 and 2009
Amounts in Cubic Meters

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water withdrawal</td>
<td>3,609,710</td>
<td>5,052,045</td>
</tr>
</tbody>
</table>

Basis of Presentation
The above amounts represent the total water withdrawal (in cubic meters) of the Company for the years ended December 31, 2013 and 2009 that the Company prepared for its intended 2014 submission to the CDP Water Disclosure and for presentation in the Company’s Corporate Responsibility Report.