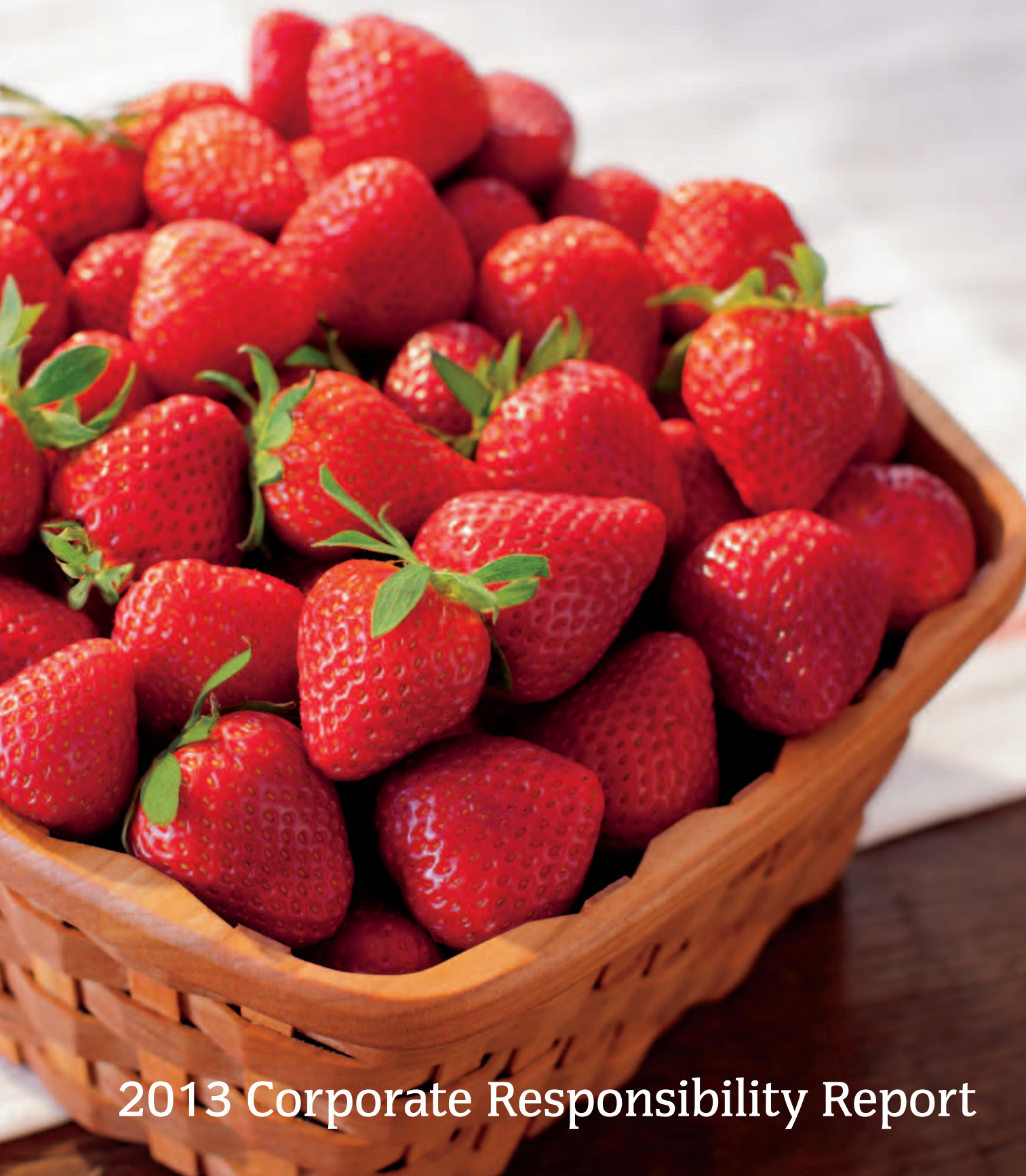


THE J. M. SMUCKER COMPANY



2013 Corporate Responsibility Report



THE J. M. SMUCKER COMPANY

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 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.



THE J. M. SMUCKER COMPANY



THE J. M. SMUCKER COMPANY

OUR PURPOSE

Helping to bring families together to share memorable meals and moments.





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*Welcome to the 2013 Corporate Responsibility Report of The J.M. Smucker Company. Respect for the environment and a strong commitment to actively support the communities that we serve have been defining attributes of our Company since our founding more than 115 years ago. Today, we are pleased to share The J.M. Smucker Company's ongoing focus on **Economic, Environmental, and Social** sustainability as detailed throughout this report.*

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DEAR FRIENDS,

We are pleased to provide you with our **2013 Corporate Responsibility Report**, which details our **Economic**, **Environmental**, and **Social** impacts as an organization.

During the past year, we have continued to make meaningful progress in a number of areas. This progress includes the further development of a comprehensive green coffee strategy that we introduced in 2012. Smucker has become the largest purchaser of UTZ Certified coffee in the United States, laid the groundwork for a long-term partnership with the Hanns R. Neumann Stiftung (Foundation) in Indonesia, and expanded our partnership with World Coffee Research, which is conducting important scientific work to develop sustainable coffee-growing processes.

We also continue work on our 2014 environmental goals. Our efforts are directed toward both investments and initiatives that help us make progress toward our goals, as well as ongoing refinements to our data measurement techniques to provide us with more insights, which in turn guide more progress. Our commitment to transparency extends beyond this report to participation in the Carbon Disclosure Project during the last four years, and 2013 marks the first year that Smucker is participating in the CDP Water Disclosure Project.

One of our most important corporate responsibilities is the long-term economic viability of our business. A strong financial foundation and solid profitability ensure that we have the resources to reinvest in making our business, people, and communities stronger. On this front, we are pleased to report that fiscal 2013 was another record year for Smucker as we delivered record sales, earnings, and operating cash flow.

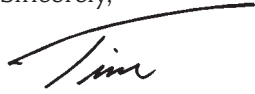
As always, *Our Purpose* of *helping to bring families together to share memorable meals and moments* is how Smucker's business has the most potential to positively impact society. Our ability to successfully sustain this *Purpose* in 2012, and for more than a century, is in large part due to *Our Commitment to Each Other* (detailed on page 10) and to our constituents – consumers, customers, employees, suppliers, communities, and shareholders.

Responsibility and citizenship, in fact, have defined Smucker since our founding. Today, The J. M. Smucker Company continues to prosper by consistently living our *Basic Beliefs* of *Quality, People, Ethics, Growth*, and *Independence*. Our *Basic Beliefs* (detailed on pages 8-9) serve as the values and principles that guide both strategic decisions and our daily behavior, thus nourishing an atmosphere that encourages personal responsibility where every employee makes a difference, building a bridge of understanding that impacts the economic, environmental, and social fabric of our global community.

We view doing the *right* things with respect to the environment and the communities where we work as a natural extension of our *Basic Beliefs*. Today, our approach to sustainability is more structured and provides us with a more comprehensive view of our **Economic**, **Environmental**, and **Social** impacts. This view helps to ensure that when we make business decisions we have a clear understanding of the benefits to, and potential impact on, our communities. Accordingly, our *Sustainability Strategy* 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, we are grateful for the contributions of our constituents as we work toward our goals, and we thank them for their support and interest in our Company.

Sincerely,

Tim Smucker


Richard Smucker





Section 2: **OUR CULTURE**

As we grow, we are committed to preserving 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 BASIC BELIEFS

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

Our *Basic Beliefs* are the Company’s values and principles that guide both strategic decisions and our daily behavior. The *Basic Beliefs* are deeply rooted in the philosophy and heritage of the Company’s founder.

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.

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, 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 modern business thinking, to be the guideposts for decision-making and daily interactions with consumers, customers, employees, suppliers, communities, and shareholders.

QUALITY

Quality applies to our products, our manufacturing methods, our marketing efforts, our people, and our relationships with each other.

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

Our growth and business success have been built on a foundation of quality, earning the trust of our constituents in our products and our people. At Smucker, quality will continue to come first.

PEOPLE

We are fair with our employees and maintain an environment that encourages personal responsibility within the Company and the community. In return, 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* through their own actions.

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.

ETHICS

The same, strong ethical values on which our Company was founded provide the standards by which we conduct our business, as well as ourselves. These values include honesty, respect, trust, responsibility, and fairness.

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.

GROWTH

Along with day-to-day operations, we continuously look forward and focus on the potential of our Company. Growing is reaching for that potential whether through the acquisition of new brands, development of new products and new markets, the discovery of new management or manufacturing capabilities, or the personal growth and development of our people and their ideas.

Growth also requires that we maintain a global perspective of the world in which we conduct business and a responsibility for our impact on the cultural, economic, environmental, and social fabric of our global community.

We are committed to strong balanced growth within prudent financial parameters. This balanced growth will enable us to both provide a fair return to our shareholders and enhance our consumer franchise. We remain independent from short-term, external influences because we believe that when we make decisions with a long-term perspective, growth will naturally follow.

INDEPENDENCE

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.



OUR COMMITMENT TO EACH OTHER

Comments by Paul Smucker written sometime in the early 1980s.

As Smucker’s experiences growth in the ’80s, we need to ensure that we retain one of Smucker’s most deeply 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.



PEOPLE & CULTURE

Our employees are passionate about preserving and strengthening our unique culture where every employee is proud to work and makes a difference.

Ours is a simple but effective management approach that has stood the test of time, weathered complex business environments, and evolved with our business through the years.

This management approach is rooted in our *People Basic Belief*. 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.

Our culture is sustained and brought to life every day by the people of Smucker. This is why our management approach starts with the important objective of hiring individuals into the organization who share our values as well as a passion for our brands and serving our constituents.

A thoughtful employee hiring process supports this objective. Candidates often complete multiple on-site visits to meet with many Smucker employees, providing both the Company and the candidate with the opportunity to get to know one another. We hire people for a long-term career, and during the interview process we consider both an employee’s ability to fulfill a current role, as well as their potential for future growth. The effectiveness of this long-term approach is reflected in an employee turnover rate that is well below industry average and an employee productivity rate, as measured by sales and profit per employee, that is consistently above industry average.

The thoroughness of our hiring process enables us to begin building relationships with employees when they are candidates. Relationships, a key component of our culture, are further strengthened through our day-to-day interactions and the practice of “Management by Walking Around” wherever practical. At Smucker, a face-to-face conversation is always preferable to relying solely on a report or an e-mail.

We know that consistent and frequent reinforcement of what is important is essential to keeping a large and very busy organization focused.



Through frequent communication and training, we seek to remind and continuously enhance the understanding of what our culture is and its importance to engaging our people to deliver exceptional results. We also include *Our Commitment to Each Other* and *Basic Beliefs*, the key components of our culture, as core elements of our Corporate Strategy, to reinforce with all our constituents that how we do things is as important as what we do.

Communication – Foundational to Our Culture, Relationships & Ability to Implement

We know that open and direct communication with and between our employees is foundational to both our *Relationships* and *Ability to Implement* core competencies. Transparent communications, whether sharing good or difficult news, builds trust – the foundation of all relationships. We strive to make communication a priority with all employees and at all levels of the organization.

This focus on direct and open communications, and our belief in the long-term best interest of our employees and the Company, is why we seek to work together directly with our employees, without the influence of an external third party. Today, fewer than half of our manufacturing facilities in North America are covered by collective bargaining agreements. And while we have always respected our employees’ right to choose whether or not to be represented by a third party, we will continue to focus on open and direct communications that foster long-term, trusted relationships with all our employees.

We know that open and direct communication with and between our employees is foundational to both our *Relationships* and *Ability to Implement* core competencies.

A Rewarding Smucker Career Experience

At Smucker, our *Basic Beliefs* are the Company’s values and principles that guide both strategic decisions and daily behavior. Our *Basic Belief* of *People* states: “We are fair with our employees and maintain an environment that encourages personal responsibility within the Company and the community.”

We believe that a mutually beneficial relationship between the Company and our employees is important to our long-term relationship with each other. In exchange for their commitment and contribution to the Company’s success, employees benefit from a rewarding experience through:

- ❖ A culture and work environment that reinforce our *Basic Beliefs* and *Commitment to Each Other* each and every day;
- ❖ Competitive compensation and benefit programs that serve as the foundation of our rewards programs; and
- ❖ Professional development and career growth opportunities.





BENEFITS & WELLNESS

Our benefits objectives are:

- ❖ To provide comprehensive and competitive benefits at a cost that is fair to employees and the Company;
- ❖ To provide opportunities that are focused on leading healthy lifestyles and that support the long-term health and well-being of employees and their families;
- ❖ To protect employees and their families against financial hardship in the event of serious injury, illness, or death;
- ❖ To provide support that helps employees maintain balance and quality of life throughout the stages of their career; and
- ❖ To provide the tools and resources for employees to plan for and achieve a financially secure retirement.



As part of our focus on wellness, we emphasize the need for employees to embrace healthy lifestyles. Access to health practitioners is available at all facilities, and we offer a variety of on-site programs such as health fairs, annual health screenings, and wellness education opportunities. In addition, Smucker is a tobacco-free workplace. To underscore the importance of being tobacco-free and receiving preventive care, we offer a financial incentive that lowers monthly health care contributions for employees who participate in our healthy lifestyle program.

EMPLOYEE DEVELOPMENT

Employee development at Smucker reflects our *Basic Belief* of *Growth*: “Growing is reaching for that potential whether through the acquisition of new brands, development of new products and new markets, the discovery of new management or manufacturing capabilities, or the personal growth and development of our people and their ideas.”

Because we hire employees for a career, not just for an individual job, we encourage employees to focus on continuing to perform in their current roles and to engage in expanding their knowledge and experience. Through formal training, on-the-job experiences, industry involvement, and personal self-development, we challenge our employees to increase their knowledge, skills, and capabilities.

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.
- ❖ Providing candid, ongoing feedback regarding individual performance – which is consistent with our *Basic Belief* of *People* to be fair with our employees.
- ❖ Looking for the good in others, challenging ourselves to identify the strengths of employees, and placing them in roles that best utilize their strengths.
- ❖ 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.
- ❖ Helping employees understand career path alternatives. We know that no two people – or careers – are the same. There is no single career path.
- ❖ Providing access to learning and development opportunities – internally and externally – based on the individual’s interests and the Company’s needs.
- ❖ 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:

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

Our employee development initiatives focus on culture, leadership, people management, general business skills, and problem solving and decision making.

LEADERSHIP DEVELOPMENT & SUCCESSION PLANNING

As a fifth-generation family-led public company, we place a significant emphasis on leadership development and succession planning. During 2013, we formed a partnership with Case Western Reserve University’s Weatherhead School of Management to bring its world-renowned thought leadership in the area of organizational leadership to Smucker.

The basic concepts of strong leadership – Hope, Compassion, and Mindfulness – are at the center of the leadership development curriculum. These concepts complement core tenets of our culture that are reinforced throughout all our professional development solutions.



SMUCKER QUALITY MANAGEMENT SYSTEMS

As our Company has grown, we also have embraced a formal business process – known as Smucker Quality Management Systems (SQMS). Composed of 11 Pillars, or Centers of Excellence, SQMS is an integrated work system that helps maintain our competitive advantage, builds capabilities and talent across the organization, and, most importantly, provides our employees with the tools to apply the *Basic Beliefs* to their daily work activities.

SQMS encourages eight behaviors that define “how” we should do our daily work in order to help bring consistency to our organization:

- ❖ We show respect for all individuals.
- ❖ The interests of the Company and the individual are inseparable.
- ❖ We are strategically focused in our work.
- ❖ Innovation is the cornerstone of our success.
- ❖ We are externally focused.
- ❖ We value personal mastery.
- ❖ We seek to be the best.
- ❖ Mutual interdependency is a way of life.

HEALTH, SAFETY & ENVIRONMENT

Health, Safety & Environment (HS&E) is an essential SQMS Pillar, helping ensure the health of our people, the safety of our workplace, and the reduced impact of our facilities on the environment. The principles of HS&E support and encourage personal responsibility and accountability by asserting that:

- ❖ Nothing we do is worth getting hurt;
- ❖ HS&E can be managed; and
- ❖ HS&E is everyone’s responsibility.

These principles are helping us toward our corporate goals of reducing our total incident rate (TIR) and our incident losses to zero. Our HS&E systems and performance key elements will help us achieve these goals. These key elements provide a method to measure and improve our HS&E capability at the operational team level by dividing HS&E work into specific functional areas. Multiple individuals at our facilities manage these sub-key element areas. As a result, all our employees have an opportunity to contribute toward our goals.

From fiscal 2012 to fiscal 2013, we improved our TIR by more than 16 percent, while our total number of incidents was reduced by more than 20 percent. This performance continues our decadelong trend of improving HS&E results.

DIVERSITY & INCLUSION

We are intentional about referring to both diversity and inclusion. We believe that an inclusive environment and diverse organization strengthens our Company and enables every employee to reach their full potential. We also believe that diversity and inclusion lead to better business results. Our approach to addressing business opportunities and challenges is inclusive and drives us to seek a wide range of perspectives and even differing viewpoints. When faced with business opportunities and challenges, we encourage our organization to ask, “What do you think?”

Diversity and inclusion are also at the core of *Our Purpose* of *helping to bring families together to share memorable meals and moments*. We know families, and our consumers, are diverse. We can better serve them and meet their needs by attracting a workforce and creating an environment that reflects this diversity.

Because ethics are so inherent to our culture, ethical conduct at Smucker is principles-based rather than rules-based.

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. Our Policy on Ethics and Conduct states: “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.”

This policy outlines our expectations across numerous areas and situations where ethical choices might be necessary, including conflicts of interest; interests in customers, competitors, and suppliers; commercial bribery; and compliance

with many legal requirements related to our business. Our Ethics Policy applies to our employees, officers, and the directors of the Company, all of whom are required to receive, review, understand, sign, and adhere to the Policy. All employees receive ethics training focused on these principles every two years.

Our Company also has an Anti-Corruption and Anti-Bribery policy that prohibits all Company personnel from providing any form of bribe, kickback, or hidden or undocumented side payment to any person in connection with Company business. Ongoing training on these principles is also provided to employees.

CORPORATE GOVERNANCE

The J. M. Smucker Company is a publicly held 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 confirm 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 smuckers.com/investors.



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 at smuckers.com/investors. Interested parties who wish to communicate with members of the Board as a group, with nonemployee Directors as a group, or with individual Directors may do so by writing to: Board Members c/o Corporate Secretary, The J. M. Smucker Company, One Strawberry Lane, Orrville, Ohio 44667.

Section 3: OUR CONSUMERS

Our family of brands has grown into a wide variety of quality products that meet the high standards that consumers expect from Smucker. As we continue to grow, we are focused on providing consumers with products that are nutritious, delicious, and convenient.





FOCUS ON FAMILIES

As we fulfill *Our Purpose* of *helping to bring families together to share memorable meals and moments*, we believe that how we do things is as important as what we do.

We are honored that our products have been part of family meals for as long as we have been in business, and *Our Purpose* has never been as relevant as it is today. In her book, *The Surprising Power of Family Meals*, Miriam Weinstein shares research that shows families who eat together are stronger, healthier, and happier. Yet family life is busier and more hectic than ever. That is why we are always looking for new ways to help bring families together around the meal table – whether through new products that offer delicious taste and convenience; family-centered promotions, partnerships, and recipes; or other tools that help with meal preparation.

We also want our consumers to trust the brands and products they are eating, which is why we use the highest quality ingredients in our products and have strict quality control procedures in place

that meet or exceed government and industry standards. We also have strict guidelines that govern our supplier relationships to help ensure that our partners share in our commitment to build a better tomorrow.

Supporting family meals is key to many of our marketing and communication efforts. We are a supporting partner of “Family Day – A Day to Eat Dinner With Your Children™,” held annually in September (casafamilyday.org). Our website, PowerOfFamilyMeals.com, is a resource that provides advice from Miriam Weinstein as well as recipes and meal-planning tools for families.

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 11 SQMS Pillars. 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 quality assurance program. To further broaden our efforts, we have developed a “Food Safety 101” course to provide an understanding of food safety fundamentals to employees who visit with suppliers frequently. Many of our employees are engaged in food safety training with universities across the country.

We 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 is working toward an audit process certification to be implemented on a worldwide basis in order to improve audit consistency. We have completed converting the majority of Smucker facilities to GFSI audit formats.



The Company supports the Food Safety Modernization Act passed by Congress in 2011, 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 new law prior to its passage and will continue to provide input to the U.S. Food and Drug Administration (FDA) as the new regulations are developed 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. This variety includes multiple flavors and product options, such as reduced-sugar and sugar-free alternatives as well as whole-grain offerings. During the past year, for example, we introduced *Smucker's®* Natural fruit spreads, a new line of four flavors with all-natural ingredients, sweetened with sugar, and with no preservatives, and *Jif®* Natural with Honey, a new flavor in our line of natural peanut butters.



Our Natural Foods business area includes the *R.W. Knudsen Family®* and *Santa Cruz Organic®* brands. Both of these brands have been pioneers in organic foods and sustainable business practices. Smucker Natural Foods helped develop and write the standards surrounding organic procurement and production issued by the U.S. Department of Agriculture’s National Organic Standards Board. The Smucker Natural Foods manufacturing facility in Chico, California, was the first facility in the United States to complete voluntary organic certification in 1993. Similarly, the *Santa Cruz Organic* brand has been raising awareness about the benefits of organic agriculture for more than 30 years.



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 in the United States. This national, multiyear effort is focused on helping reduce obesity, especially in children, by 2015. The HWCF, which includes retailers, food manufacturers, nongovernmental organizations (NGOs), and educators, promotes ways to achieve a healthy weight by balancing calorie intake with exercise as part of a daily routine. Smucker has committed to work toward a set of marketplace goals as part of the Foundation’s effort. These goals include reductions in calories, sodium, sugar, and trans-fat ingredients; an increase in whole-grain offerings; and the launch of portion-control options in certain product categories.

We were pleased by the HWCF’s recent announcement that America’s top food and beverage companies have exceeded their goal of reducing

1.5 trillion calories in the marketplace in the United States three years ahead of schedule. The HWCF calorie reduction was achieved by providing additional choices and great-tasting products to consumers.

We continue to make significant progress toward our commitment to “*Facts Up Front*,” a voluntary initiative aligned with the nutritional guidelines and regulations of the FDA and the U.S. Department of Agriculture. “*Facts Up Front*” is a nutrient-based labeling system that summarizes important information from the nutrition facts panel in a simple and easy-to-use format on the front of food and beverage packages. We have introduced “*Facts Up Front*” on many of our products and expect all our products that require a nutritional panel to have the “*Facts Up Front*” labeling in 2014.

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. Most recently, Crown Family Networks and the PTC presented Smucker with the sixth annual “Crown Award,” which recognizes the Company’s leadership, integrity, and support of family-friendly programming through responsible advertising.

PTC also has recognized The J.M. Smucker Company with its Lifetime Achievement Award for “Integrity in Entertainment” and has included our Company in the PTC “Advertiser Accountability Hall of Fame.” Smucker is also a longtime member of the Association of National Advertisers’ Alliance for Family Entertainment.

Beyond advertising, the labeling of our products is an important element of our brand-building and marketing efforts. All labels for Smucker 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 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.

Finally, 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 are prepared to provide information about our entire portfolio of products. In addition, we engage frequently with consumers through numerous brand-related social media outlets such as Facebook, Twitter, Pinterest, and YouTube.

Section 4: OUR ENVIRONMENT

Our Sustainability Strategy

*Create a better tomorrow by focusing on preserving our culture, ensuring our long-term **Economic** viability, limiting our **Environmental** impact, and being **Socially** responsible.*



FIVE-YEAR 2014 GOALS

Measured on an intensity-based performance



Reduce GHG*
Emissions by 15%

*GHG = Greenhouse gas



Reduce Water
Usage by 25%



Divert 75% of Waste
from Landfill to
Alternative Use

OUR APPROACH TO 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 (Leadership in Energy and Environmental Design)-certified facilities to everyday practices such as the use of recyclable materials in our cafeterias.

An internal, cross-functional Sustainability Task Force guides our formalized environmental initiatives. This Task Force is charged with developing and overseeing a long-term integrated Sustainability Strategy, as well as establishing key metrics, goals, and reporting structures. This multidisciplinary team meets on a regular basis to review and plan its ongoing work. The Task Force has identified five areas of focus as part of the Company’s long-term Sustainability Strategy: *source reduction, reuse, reclamation, responsible disposal, and renewable energy*. Regular updates on the Task Force’s progress are provided to our Board of Directors.

In 2009, the Task Force established three rigorous five-year operational goals that we are striving to achieve by 2014, as well as a goal to integrate sustainability into our product development process. Since then, we have been actively measuring and monitoring progress toward these

goals, as well as identifying challenges that might impact our progress. The pursuit of our GHG (greenhouse gas) and water goals is more challenging than our initial expectations, as our manufacturing footprint has changed significantly since our baseline year due to divestitures, acquisitions, and changes in our business needs. Volume and asset utilization have also been an impact.

We are analyzing the full impact of these changes and making adjustments as needed. Though we remain fully committed to striving to achieve our goals, we realize that the pace of our progress may be slower than originally anticipated.

Sustainability leaders at each of our plants in the United States and Canada continue to play a critical role in implementing strategies that address our sustainability goals. Specifically, these leaders are charged with identifying and implementing plant-specific initiatives that target energy, water, emissions, and waste reductions. Most importantly, on-site sustainability leaders help engage all employees at each location in order to nurture a sustainable mind-set throughout our Company.

Transparency is an important component of our approach to sustainability. This is why Smucker has participated in the Carbon Disclosure Project (CDP) (cdproject.net) for the past four years. This year, we are pleased to expand our CDP reporting to include the Water Disclosure Project.





ENERGY, EMISSIONS & WATER REDUCTION

To meet our five-year goals, we have active programs at each of our manufacturing operations. Each plant has created a five-year plan, based in part on the results of a plant-level energy survey, and a list of projects to contribute to our corporate sustainability goals. These projects are evaluated for implementation, with an eye toward balancing the return on investment with the energy, water, and emissions reduction benefits. Each plant posts its plan and progress to date in visible locations so that all employees know what is required to achieve plant-specific goals.

Through 2012, we reduced our GHG emissions intensity by 1.9 percent compared to levels established in our baseline year of 2009. This reduction was accomplished despite decreased volume and was the result of capital projects and best practices at our manufacturing sites. Much of our progress in reducing GHG emissions has been guided by energy audits that were conducted at all of our plants throughout a two-year period. These audits have led to capital improvements in lighting, chillers, air compressors, and other plant systems that are helping us reduce energy use. The installation of new energy-efficient lighting alone is expected to result collectively in a 2 percent reduction in our baseline GHG emissions level. The Company is also transitioning its sales fleet to hybrid vehicles.

Our Cincinnati, Ohio, plant was honored to receive the 2012 Duke Energy Power Partner Award, which

recognizes efforts in energy efficiency, sustainability, and business growth. The plant completed eight energy-efficiency projects, reducing electricity usage by more than 2.9 million kilowatt-hours per year and reducing environmental emissions. These projects included installing energy-efficient lighting and a highly efficient air compressor, among other energy-reducing improvements.

Our goal to reduce water usage by 25 percent by 2014 will be a significant challenge, but one that we continue to strive toward. The integration of water usage into our Environmental Management System audit process in fiscal 2013 has further enhanced our ability to measure and manage this resource. Through 2012, our water conservation efforts have led to a 4.3 percent reduction in intensity compared to levels from our baseline year of 2009.

Our approach to water management is a holistic one that focuses not only on water conservation, but also on how we use water internally and the quality of the water we discharge into the ecosystem. In 2013, we will be completing water use surveys at our remaining sites, which will enable more focus on opportunities to recycle, reuse, and reclaim waste heat.

Our Cincinnati plant has made great strides in water stewardship. Investment in an on-site wastewater treatment plant enables us to discharge water that is as clean as the water we intake. In addition, several projects are underway that are targeting a combined 30 percent reduction in plant water usage.

PERFORMANCE

Year Ended December 31,





These projects include the installation of an automatic valve and control system for a major plant cistern and the installation of a more efficient heat exchanger that uses recirculated cooling tower water. Similarly, numerous measures associated with reducing the amount of water used in the pasteurization process at our Havre de Grace, Maryland, plant will result in saving approximately 2,500 gallons of water daily.

At four of our plants – Seneca, Missouri; Grandview, Washington; El Paso, Texas; and Sherbrooke, Quebec, Canada – we are implementing projects that will enable us to capture water from condensing operations. This water will be used for plant boilers, cooling towers, and some general cleaning processes. At our Lexington, Kentucky, plant, the focus is on stormwater reduction, in order to help the city's overstressed stormwater system. The removal and replacement of approximately 16,000 square feet of impermeable pavement with permeable pavement in order to allow stormwater to infiltrate subsoil is among the measures being implemented. Looking forward, we expect that investments in state-of-the-art systems for water conservation and reuse at our new Orrville, Ohio, manufacturing facility will reduce our water usage per unit, once the facility becomes fully operational in 2013.

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 while ensuring that any packaging changes do not compromise the quality and safety of our products. We also work to ensure the recyclability of as many of our packaging materials as possible. Currently, 85 percent of our product portfolio is packaged in materials that can be recycled by consumers.

WASTE REDUCTION & LANDFILL DIVERSION

Robust waste reuse and recycling programs have been established at all Smucker locations as we work toward our goal of diverting at least 75 percent of our waste from landfill to alternative use by 2014. Our Suffolk, Virginia, and Havre de Grace plants are our first facilities to achieve zero waste to landfill status, and our Chico manufacturing facility is close behind.



Many of our manufacturing facilities have completed material analysis studies and are participating in a variety of waste recycling programs with third parties. In Cincinnati, the disposal of two manufacturing by-products has been a significant waste challenge. By composting both by-products and using one as a raw ingredient in cement, the plant expects to reduce its waste to landfill by 80 percent. Meanwhile, at our Oxnard, California, plant, the identification of additional materials to recycle has pushed the amount of waste being diverted from landfill from 87 percent to 93 percent.

Though it does not contribute to our corporate waste reduction efforts, a project at our coffee operations in New Orleans, Louisiana, underscores the personal environmental commitment of our employees. Since Hurricane Katrina, citywide recycling has not resumed, and as a result, more than 75 percent of our New Orleans employees do not have home recycling. In response, we have installed a single-stream recycling center at the plant to collect household materials such as plastics, cardboard, metal cans, and newspapers. To date, there has been broad participation by employees.

LEED CERTIFICATION

At Smucker, our concept of a sustainable workspace encompasses environmental and social responsibility, as well as the idea of facilitating communication, community, and culture. Our work environment vision captures the following concept:

We will create a warm, welcoming environment that facilitates open communication and interaction among our constituents. Our facilities will provide a sense of community where people will be proud to gather, work, and learn from one another. We will achieve our vision by focusing on preserving our culture, limiting our environmental impact, and being socially responsible.

LEED certification for construction projects is one way we are realizing this vision. Our first project to achieve LEED certification was in 2008, when we renovated The J.M. Smucker Company Store and Café in Orrville. LEED design and construction have also been at the forefront of expansion projects at our corporate campus at One Strawberry Lane in Orrville. The Renewal Building on this campus, which houses our cafeteria and common meeting spaces, earned LEED Silver certification in 2009. Construction of the One Strawberry Lane



Central office building, with numerous resource conservation strategies employed in its design, received LEED Silver certification in 2012.

The Smucker Natural Foods distribution warehouse in Chico attained LEED Gold certification in 2009. Our Chico facility as a whole has become an exemplary model of sustainable manufacturing. The plant generates 40 percent of its peak power requirements on-site through renewable resources such as a solar array system, a methane generator, and natural gas turbines. In addition, on-site solar generation is supplemented through the purchase of renewable energy credits. As a result, our *Santa Cruz Organic* juice products carry the Green-e® certified renewable energy seal.

Our Learning Center in Lexington is also LEED-certified. Our new state-of-the-art manufacturing facility in Orrville was designed with our sustainability goals in mind. Examples of the energy reduction features include a high-efficiency lighting system, high-efficiency boiler stack economizers, reflective roofing and concrete paving to minimize heat island effects, and waste heat recovery for water heating. Water reduction strategies leverage cisterns to use rainwater for irrigation and plumbing fixtures, recirculated hot water systems, and recirculated pasteurizer cooling systems.

Smucker is committed to strive for LEED certification on major new construction projects.

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



One Strawberry Lane Central, Orrville, Ohio



GREEN COFFEE SUSTAINABILITY STRATEGY

We have developed a strategy built around three elements:

- Responsible Sourcing
- Smallholder Support
- Integrated Environmental Support

supply chain personnel as necessary to manage any identified risks that could threaten our continued dedication to our *Basic Beliefs*.

In addition, we will comply with new SEC rules that require annual disclosure beginning in 2014 about the use of “conflict minerals” originating in the Democratic Republic of the Congo and adjoining countries. The minerals regulated under these rules are tin, tantalum, tungsten, and gold. The intent of the new SEC rules is to curb violence and human rights abuses in the covered countries that may be fueled by proceeds from trade of these minerals through required disclosure, consumer transparency, and public pressure on companies that source conflict minerals from the region.

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.

SUSTAINABLE PALM OIL

Smucker has committed to strive to source 100 percent of our direct palm oil purchases from responsible and certified sustainable sources by 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.

GREEN COFFEE SUSTAINABILITY

As a market leader in the coffee category through our *Folgers*®, *Millstone*®, *Dunkin’ Donuts*®, *Café Bustelo*®, and *Café Pilon*® brands, we purchase most of our coffee from major suppliers and countries with highly developed production standards. 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.

In 2012, we introduced a green coffee strategy built around three elements: Responsible Sourcing, Smallholder Support, and Integrated Environmental Support. These three elements are focused

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.



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 NGOs. 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 led us to view our approach from a long-term perspective that is consistent with our own business philosophy and



that integrates all stakeholders in the supply chain and the multi-dimensional issues associated with green coffee.



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. TSC is developing a standardized framework for the communication of sustainability-related information throughout the product value chain to enable a credible analysis and data-sharing platform. As a member, Smucker provides expertise and insight into categories within the food and beverage sector.



Our largest supplier of UTZ Certified coffee from Vietnam actively engaged the producer community in that country by providing 96 training sessions to more than 3,500 farmers in four provinces. The training included topics regarding sustainable growing practices, proper agricultural and cultivation techniques, as well as safety procedures. Our supplier is currently working with 6,000 Vietnamese producers who meet UTZ Certified standards.

Responsible 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 monitor compliance.

Purchases of green coffee certified by third parties are another important part of our responsible sourcing strategy. Smucker has set a goal for certified 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 2012, 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. UTZ Certified represents nearly 50 percent of the available supply of certified coffees and is grown in more than 20 countries. During 2013, we launched our fourth premium coffee brand, *Life is good*®, which will be coffee sourced entirely with UTZ certification. In addition, we continue to purchase certified coffee from farms that are Rainforest Alliance Certified™ and through Fair Trade Certified™.

Goal: Increase yields by a minimum of 50 percent by providing agronomy training and climate change adaptation strategies to approximately 5,000 smallholder producers.

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 build sound agricultural and business practices is often significant. Long-term coffee supply and the economic viability of these small growers must be linked. For this reason, we have chosen to partner with TechnoServe, a well-respected nonprofit organization dedicated to empowering people in the developing world to build businesses that break the cycle of poverty. TechnoServe establishes and implements standards for sustainable coffee production by using proven business models to improve agricultural practices, yield, quality, profitability, and farm management practices.

Our coffee brands’ commitment to TechnoServe began nearly 10 years ago. Since the 2008 acquisition of our coffee business, we have come to fully appreciate and support TechnoServe’s philosophical approach and on-the-ground initiatives that offer a practical and sustainable solution for improving the lives of coffee farmers in developing areas of the world. Smucker has committed to continue to support the efforts of TechnoServe.

The J.M. Smucker Company has also partnered with the Hanns R. Neumann Stiftung (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 25 Foundation projects are supporting 80,000 producers in 13 countries to improve their production systems, entrepreneurial skills, and incomes – while protecting and conserving vital natural resources.

Our work with the Foundation during 2012 identified Indonesia as the focus area for a significant project that will support small-scale coffee farmers in order to improve production practices, land management, and environmental conservation. The goals of the project are to increase productivity, profitability, and household income and decrease the producers’ vulnerability to the negative impacts of climate change. Together with the Foundation, we participated in several missions to the country to conduct problem assessments, outreach to farmers, local government and other important local stakeholders; and establish project parameters. A local project



Tim Schilling in the African wilderness with a tribeswoman named Nyameron. The Texas A&M University agronomist heads World Coffee Research, a nonprofit financed by The J. M. Smucker Company and other donors.

manager is handling project infrastructure, setting objectives and key performance indicators, while engaged in strategic dialogue with policymakers, donor agencies, and representatives of the Indonesian coffee sector. We also actively approached North American and European donor institutions for co-funding, expansion, and scaling up of the project.

“The J.M. Smucker Company’s efforts to address the root causes of the problems facing farmers, farmer communities, and the coffee sector as a whole; leverage its resources and prominent position in the coffee industry to generate increased and higher impact investment in the sector; and contribute to transformation change in farming communities – all in line with its core business model – makes it stand out among its peers in its dedication, commitment, thoughtfulness, and foresight.”

Michael Opitz
Chairman of the Board of Management
Hanns R. Neumann Stiftung


TECHNOSERVE

BUSINESS SOLUTIONS TO POVERTY

In 2012, TechnoServe programs impacted more than 200,000 coffee farmers, who increased their income by introducing good agricultural practices, making quality improvements, or reducing their operating costs.

Ann Njeri Kiura, a mother of four, has been growing coffee for the past 25 years in Kenya's Central Province. Her parents, who were also coffee farmers, taught her everything she knows about farming, which is her primary source of income.

For several years, insects attacked Ann's coffee trees, drastically reducing yields and often killing younger trees. In an effort to reverse the destruction, she would occasionally purchase inputs on credit but was unaware of effective application methods. In 2010, Ann harvested only 516 kilograms of coffee cherry, which earned her approximately \$200, barely enough to offset the more than \$150 spent on inputs.

In the middle of the 2010 season, Ann partnered with TechnoServe to learn simple and cost-effective agronomy techniques that could help increase yields while also reducing input costs and improving environmental stewardship. She began to see results of the improved techniques almost immediately. In 2012, Ann's 200 trees yielded 1,226 kilograms of coffee cherry, a 150 percent increase from her 2009 harvest. At the same time, she reduced the amount of money spent on inputs by half and estimates that her next harvest will surpass 2,300 kilograms. Ann represents just one of more than 200,000 coffee farmers who were impacted worldwide by TechnoServe's efforts in 2012.

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. Many of the agricultural strategies imparted by TechnoServe, the Foundation, and others help address the unique environmental conditions for coffee production, including elevation, temperature, precipitation, and soil.

Meeting long-term demand, however, will require an integrated environmental approach. For this reason, Smucker has partnered with World Coffee Research (WCR), which is dedicated to increasing the availability of Arabica coffee in a sustainable manner through research and development. Specifically, our partnership with WCR focuses on the science of coffee in order to develop hybrid varieties using classic breeding techniques.

WCR has recently partnered through PROMECAFE with numerous countries to launch the first global multilocation variety trial. This scientific trial will allow producing countries to compare advanced varieties and hybrids from around the world to their local varieties for yield, quality, disease resistance, and climate change resilience. The outcome of this project will lead to WCR-assisted replacement programs to benefit producers and the industry. WCR also is using technological improvements in plant breeding sciences to increase productivity and quality of Arabica coffee. WCR will fund the development of new varieties and hybrids using "super diverse" prebreeding populations, with a focus on identifying traits to improve quality and productivity.



Section 5: OUR COMMUNITIES

*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.*

COMMUNITY INVOLVEMENT

As a good corporate citizen, we believe that Smucker has a responsibility to support – financially and in other ways – organizations, projects, and programs that contribute to the well-being of our communities.

Our support can be in any combination of financial contributions or leadership assistance in serving nonprofit organizations. We also encourage our employees to be involved in community activities and to volunteer in local civic and charitable organizations. One of our most recent initiatives has focused on the revitalization of Main Street in our hometown of Orrville. Smucker 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 new viable businesses to the community. Loft apartments have been created in several of the buildings to provide convenient and tasteful residential options in the downtown area.

AN EDUCATIONAL FOCUS

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 recently committed \$1 million 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 will support 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 pledged a four-year \$1 million gift to The University of Akron to fund a new Institute for Leadership Advancement at the College of Business Administration. The Institute aims to create a framework



The University of Akron’s Institute for Leadership Advancement’s vision is to develop the next generation of college graduates with students who are globally minded, confident, and proven in their ability to solve complex, real-world problems.

for educating and training successful leaders through a unique combination of professional development course work, experiential learning projects, and campus-wide forums and workshops.



The Akron-Canton Regional Foodbank continues to provide much-needed support to area residents.

Additionally, in fiscal 2013 more than 110 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. Last year, approximately 50 percent of eligible graduating interns joined Smucker in full-time positions, underscoring the effectiveness of this educational program.



To Honor Their Service

In September 2012, Smucker was honored to sponsor its third Honor Flight from the Akron-Canton Airport, located near our corporate headquarters. More than 100 World War II veterans, accompanied by volunteer guardians and 30 Smucker employees, traveled to Washington, D.C., where they visited the National World War II Memorial and other monuments. Many other employees and family members helped provide a heroes’ welcome upon their return to the airport. This flight was particularly memorable because it was the final Honor Flight from the Akron-Canton Airport. The theme was “mission accomplished,” as the end of the local veterans’ waiting list had been reached. Since 2005, the Honor Flight Network has flown more than 98,500 veterans nationwide, including 1,100 veterans from the Akron-Canton Airport, as part of the Honor Flight CAK hub.

BOYS & GIRLS CLUBS

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.

MORE WAYS TO PARTICIPATE

Beyond education, Smucker and our employees are involved in our communities in a variety of ways. For the past 20 years, we have made product and monetary donations to Feeding America®, a nationwide network of charitable food banks, to help relieve hunger. We have a long-standing relationship with the Akron-Canton Regional Foodbank, where we have provided product donations, monetary support, and warehouse equipment. Additionally, many of our employees volunteer their time at the Foodbank as part of team-building activities.

In acknowledgment of the important role United Way® serves in channeling funds to multiple organizations and causes in communities, we encourage our employees across our locations to participate in annual United Way employee campaigns.

We have a long-standing relationship with the Akron-Canton Regional Foodbank, where we have provided product donations, monetary support, and warehouse equipment.

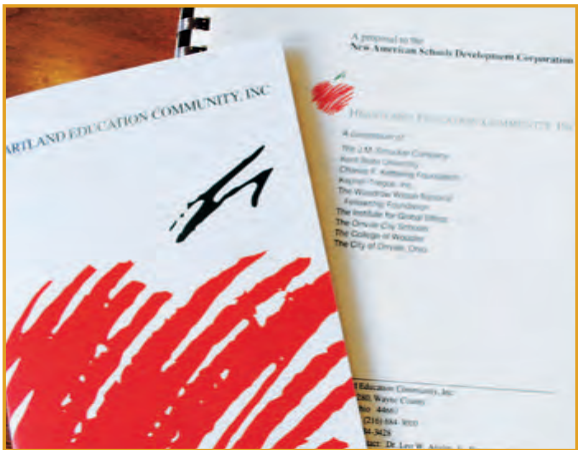


Volunteer at the Akron-Canton Regional Foodbank.

EDUCATING FROM THE HEART OF THE COMMUNITY

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., which started when a group of Orrville citizens was inspired to break the mold in 1991. At the time, the New American Schools Development Corporation (NASDC) had been formed to find top strategies for creating “Break the Mold” schools to help local districts achieve recently set national education goals. More than 450 Orrville residents, many of whom were Smucker employees, came together as the Heartland Education Community to submit a proposal to NASDC.





More than 20 years later, this innovative group is still breaking the mold. We are proud of the accomplishments this grassroots-led organization continues to achieve. Led by a steering committee of volunteer educators, city officials, parents, and business representatives, Heartland efforts are based on “The Five C’s,” which are fundamental principles about the philosophy of education:

- ❖ Community
- ❖ Connecting Learning to Life
- ❖ Critical Thinking
- ❖ Character Development
- ❖ Continuous Improvement

Initiatives are funded through individual and business donations, as well as more than \$1.1 million in grants to date, generated by Heartland efforts.

But the Orrville community organizations and members were not alone in their efforts. Several other organizations formed what is called the “Consortium.” Consortium members include Orrville City Schools, the City of Orrville, The J. M. Smucker Company, Kent State University, The University of Akron Wayne College, The College of Wooster, the Kettering Foundation, Kepner-Tregoe, Inc., the Woodrow Wilson National Fellowship Foundation, and the Institute for Global Ethics.

Though focused on education, Heartland also has a physical presence in the community. In 2005, a vacant former bank building in downtown Orrville was donated to Heartland and renovated by our Company to become Heartland Point. This community gathering place allows citizens of all ages to connect to the community by participating in lifelong learning classes, holding community meetings, volunteering at the information desk, or informally meeting friends for a cup of coffee at the Heartland Point Café.

The goal of the Heartland project is to shift the focus from **school** to **education** and shift the responsibility from **school** to **community**.



Heartland and its programs have received numerous awards through the years, including honors from the U.S. Department of Education. Other key accomplishments include:

- ❖ Finalist for the National School District of Character award in 2013
- ❖ Designation as an Ohio School District of Character from the Ohio Partners in Character Education
- ❖ 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 school, and high school buildings
- ❖ Creation and ongoing publication of *OrrViews*, a community newspaper
- ❖ Sponsorship of Family Math and Family Literacy parties

More recently, the Orrville City Schools and Heartland received the Ohio School District of Character designation for their commitment to the 11 Principles of Character Education. From the 131 State Schools of Character throughout the country, Orrville was one of 35 selected as a finalist for the National School District of Character award presented by the Character Education Partnership.



Heartland Point Café in Orrville, Ohio, a community connecting place.

Heartland also has supported a school success program in which community mentors are paired with fifth- through eighth-graders who need additional attention to help ensure that their promise and potential are fully realized. Heartland also has supported the development of College Academy. This program enables high school students to take college-level classes through The University of Akron Wayne College while remaining at the high school building, and upon graduation they will already have accumulated college credits. In addition, high school teachers have received extra training in order to teach certain courses at the college level.

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 over the past two decades. The Heartland Education Community embodies our ideas about the ways in which corporate responsibility can help create a better tomorrow.




Section 6: **OUR COMPANY**

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.

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 2013 report utilizes December 31, 2012, data unless otherwise noted. We thank all our constituents for their support of Smucker’s **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.



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Report of Independent Accountant


Board of Directors and Shareholders
The J. M. Smucker Company

We have examined the accompanying Schedule of Total Scope 1 and Scope 2 Greenhouse Gas Emissions for the years ended December 31, 2012 and 2009 (recalculated) (the “Schedule”) that The J. M. Smucker Company (the “Company”) calculated for its 2013 submittal to the Carbon Disclosure Project. The Company’s management is responsible for the Schedule. Our responsibility is to express an opinion on the Schedule based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included obtaining an understanding of the nature of the Company’s greenhouse gas emissions and its internal control over greenhouse gas emissions information, examining, on a test basis, evidence supporting the Company’s schedule of greenhouse gas emissions information, and performing such other procedures as we considered necessary under the circumstances. We believe that our examination provides a reasonable basis for our opinion.

Environmental and energy use data are subject to inherent limitations, given 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 Company’s Schedule of Total Scope 1 and Scope 2 Greenhouse Gas Emissions for the years ended December 31, 2012 and 2009 (recalculated – as described in the notes to the Schedule) are fairly stated, in all material respects, based on the criteria disclosed in the Company’s Carbon Disclosure Project submission for estimating these emissions.




May 6, 2013

The J. M. Smucker Company
Schedule of Total Scope 1 and Scope 2 Greenhouse Gas Emissions
for the years ended December 31, 2012 and 2009 (Recalculated)
Amounts in metric tonnes CO₂e

	2012	2009 Recalculated
Scope 1	138,024	159,215
Scope 2	219,041	211,436
Total	357,065	370,651

Basis of Presentation:
The above amounts represent the Scope 1 and Scope 2 greenhouse gas emissions (in metric tonnes CO₂e) of The J. M. Smucker Company (the “Company”) for the years ended December 31, 2012 and 2009 (recalculated) included within the Company’s 2013 submittal to the Carbon Disclosure Project. These amounts have been prepared based on the criteria disclosed within the Company’s submission to the Carbon Disclosure Project. The use of different criteria may result in different measurements.

2009 Recalculation:
The 2009 baseline recalculation is due to an acquisition and plant closures, occurring in 2012 and also to update the greenhouse gas eGrid emission factors for the most recent release (2012). These transactions required the 2009 baseline data to be recalculated for applicable comparisons to current period information.



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Report of Independent Accountant

Board of Directors and Shareholders
The J. M. Smucker Company

We have reviewed the accompanying Schedule of Total Water Withdrawal for the years ended December 31, 2012 and 2009 (the “Schedule”) that The J. M. Smucker Company (the “Company”) calculated for its 2013 submittal to the CDP Water Disclosure. The Company’s management is responsible for the Schedule.

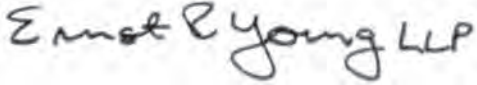
Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included:

- 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;
- analytical procedures over the accuracy and completeness of 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 an expression of opinion on the subject matter. Accordingly, we do not express such an opinion.

Environmental and water withdrawal data are subject to inherent limitations, given 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.

Based on our review, nothing came to our attention that caused us to believe that the Company’s Schedule of Total Water Withdrawal for the years ended December 31, 2012 and 2009 is not presented, in all material respects, in conformity with the relevant criteria.



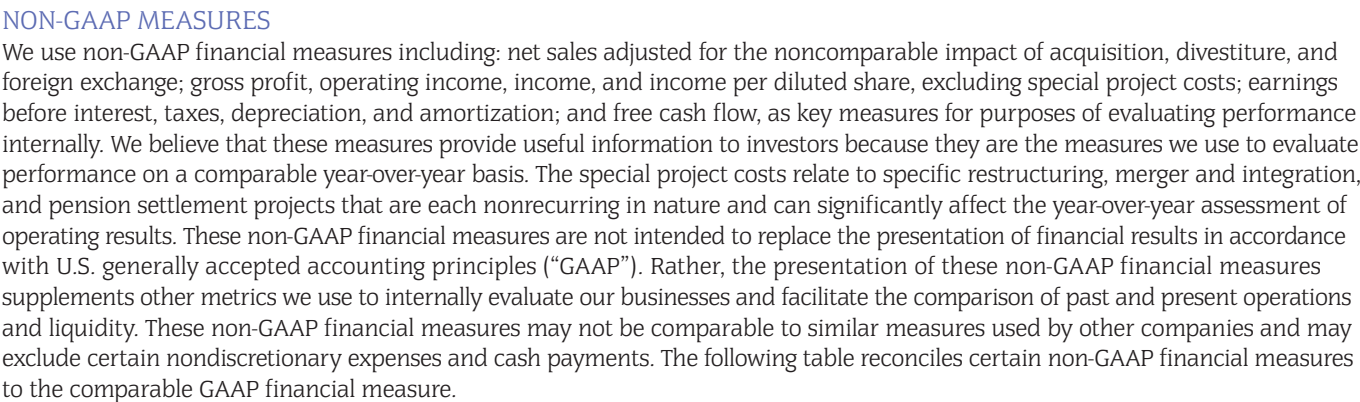
May 6, 2013

The J. M. Smucker Company
Schedule of Total Water Withdrawal
for the years ended December 31, 2012 and 2009
Amounts in cubic meters

	2012	2009
Water Withdrawal	4,760,342	5,065,472

Basis of Presentation:
The above amounts represent the total water withdrawal (in cubic meters) of The J. M. Smucker Company (the “Company”) for the years ended December 31, 2012 and 2009 that the Company prepared for its 2013 submittal to the CDP Water Disclosure. The amounts have been prepared based on the criteria disclosed for the Company’s submission to the CDP Water Disclosure. The use of different criteria may result in different measurements.

OUR COMPANY



OUR LOCATIONS

CORPORATE OFFICE
Orrville, Ohio

DOMESTIC MANUFACTURING LOCATIONS

Chico, California
Cincinnati, Ohio
El Paso, Texas
Grandview, Washington
Harahan, Louisiana
Havre de Grace, Maryland
Lexington, Kentucky
Memphis, Tennessee
Miami, Florida
New Bethlehem, Pennsylvania
New Orleans, Louisiana (2)
Orrville, Ohio
Oxnard, California
Ripon, Wisconsin
Scottsville, Kentucky
Seneca, Missouri
Suffolk, Virginia
Toledo, Ohio

INTERNATIONAL MANUFACTURING LOCATIONS

Sherbrooke, Quebec, Canada
Ste. Marie, Quebec, Canada

SALES AND ADMINISTRATIVE OFFICES

Bentonville, Arkansas
Cincinnati, Ohio
Edina, Minnesota
Lisle, Illinois
Markham, Ontario, Canada
Mexico City, Mexico
Pleasanton, California
Shanghai, China
Tampa, Florida



THE J. M. SMUCKER COMPANY

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 referenced herein, except for the following which are used under license: Pillsbury®, the Barrelhead logo and the Doughboy character are trademarks of The Pillsbury Company, LLC; Dunkin' Donuts® is a registered trademark of DD IP Holder, LLC; and Borden® and Elsie are also trademarks used under license.



THE J. M. SMUCKER COMPANY

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