



THE J.M. SMUCKER Co

YOUR COMPANY, YOUR VOICE

FY24 EMPLOYEE REPORTS & INVESTIGATION OUTCOMES

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Please continue to speak up. Together we will continue to *Do the Right Thing* and will continue to *Thrive Together*.

INTRODUCTION

At Smucker, creating a speak-up culture is essential to how we do business and is a priority for the Ethics & Compliance Department. Having a healthy **Speak Up** Culture is not only an indicator of the strength of our business, but also shows that we have given our employees the right tools and resources to speak up when something doesn't feel or seem right. We remain committed to creating a culture where all employees live out our **Basic Beliefs**, and excel in a workplace where ethical behavior thrives.

This year marks our fifth annual **Your Company, Your Voice** report. The Ethics & Compliance Department released its first report in 2019 to provide our employees with transparency into the metrics and themes from our investigation process. From the first time we rolled out this report until today, we have taken great care in how we relay this important information to you. The goal of this report remains the same - to provide resources to you that accurately embody the title of this report - Your Company, Your Voice. We continue to encourage you to participate, **without fear of retaliation**, to elevate your voice to speak up when you see wrongdoing or when something just does not feel right.

Sometimes reports of wrongdoing require investigation to understand the facts and determine appropriate next steps. Employees who are involved in internal and/or external investigations, audits, or inquiries must be fully cooperative, honest, and candid. Doing so ensures that we are acting in the best interest of our Company and exhibiting our Basic Belief of **Do the Right Thing**. We know that by embracing transparency and empowering our employees to speak up, we can improve ourselves, our workspaces, and foster a stronger organizational culture.

2024 WORLD'S MOST ETHICAL COMPANIES HONOREE

For over 125 years, our Company has upheld the guiding principles set forth by our founder, J.M. Smucker, and conducted our business with the highest sense of ethics. Earlier this year, we were proud to share that we were recognized for these efforts by Ethisphere, a global leader in business ethics, as one of the **2024 World's Most Ethical Companies!**

Smucker was one of 136 organizations given this elite status. This annual recognition is based on more than 240 different criteria and honors organizations that have displayed the utmost business integrity through ethics, compliance, and governance. This award is given only to companies who have an unwavering commitment to business integrity. **Strong ethics makes good business.**

This is the first year that our Company has received this distinction. We are honored to be recognized, but we know the work is not done. We must continue to set ourselves apart and strive to continue to deliver an unwavering commitment to operating ethically and responsibly. It takes a commitment from everyone to uphold Our Commitment to Integrity, maintain and strengthen our culture, and protect our Company and each other.





OUR COMMITMENT TO EACH OTHER: OUR COMMITMENT TO SPEAKING UP

Retaliation

We strictly prohibit retaliation or threats of retaliation against anyone who reports a concern, cooperates in an investigation, or assists someone in reporting suspected inappropriate behavior.

Retaliation is a serious violation of our Code, and in many cases, against the law. Anyone who engages in retaliation will be subject to disciplinary action, up to and including termination of employment.

Learn more about what retaliation looks like in our [Policy Against Retaliation](#).

The Importance of Speaking Up

Providing our employees with an environment where each person feels empowered to bring concerns forward is a major indicator of a strong culture of compliance and ethics. By raising concerns as quickly as possible, Ethics & Compliance and our partners can implement solutions before there is further negative impact on individuals, our teams, or our business. If you experience or witness conduct that is inconsistent with our Basic Beliefs, [Our Commitment to Each Other: Our Code](#), policies, or the law, we hope you will have the courage to speak up. The Company takes all reported concerns seriously and addresses them as promptly as possible.

How to Speak Up

Smucker provides our employees with numerous ways to report concerns. We strive to cultivate an open-door culture, so employees feel comfortable discussing issues with their People Manager or a Company Leader. If you are not comfortable discussing an issue with one of these individuals, or if one of these individuals is involved in the issue at hand, you can report your concern to a member of Employee Relations, Ethics & Compliance, Human Resources, or through our Integrity Portal.



The Integrity Portal

The Integrity Portal is our third-party portal for reporting issues and concerns at Smucker and allows callers the option to remain anonymous. The Integrity Portal is available 24/7 and can be used by anyone who wishes to ask questions, seek clarification, or report potential violations of law, Our Commitment to Integrity: Our Code, Supplier Code of Conduct, or any other Company policy. While The Integrity Portal is a great resource, employees can also share their concerns with other resources in the Company such as your People Manager and/or your respective Company Leadership Team (CLT) Leader, or any member of the Human Resources, Employee Relations (ER), and Ethics & Compliance teams.

The Investigation Process

As we continue to strive to deliver the most effective investigations, our process continues to be refined. On September 3, 2024, we launched Investigations 3.0 which is the culmination of a team effort with our valued partners in Human Resources, Employee and Labor Relations, Operations, and our Legal team. Our process has implemented valuable feedback received from our partners and is geared to drive effective, efficient, and thorough investigations which result in accurate findings and timely closure for employees.

Investigations at Smucker involve a 5-step process.

- 1 Intake:** When a report of possible misconduct or policy violation is made and entered into the Integrity Portal case management system
- 2 Interviews & Information Gathering:** When the investigator reaches out to the reporter and witnesses and other involved parties in the fact-finding portion of the case
- 3 Analysis & Findings:** When the investigator analyzes the available information and makes their findings
- 4 Investigations Review Committee (“IRC”):** The committee consists of representatives from the Employee and Labor Relations, Ethics & Compliance, and Legal teams. The committee reviews investigations into medium-to-high risk matters for quality and consistency. The IRC also utilizes an Issue & Corrective Action Matrix to recommend consistent corrective action, when appropriate
- 5 Case Closure:** Communication is provided to decision makers and employees about the findings and next steps

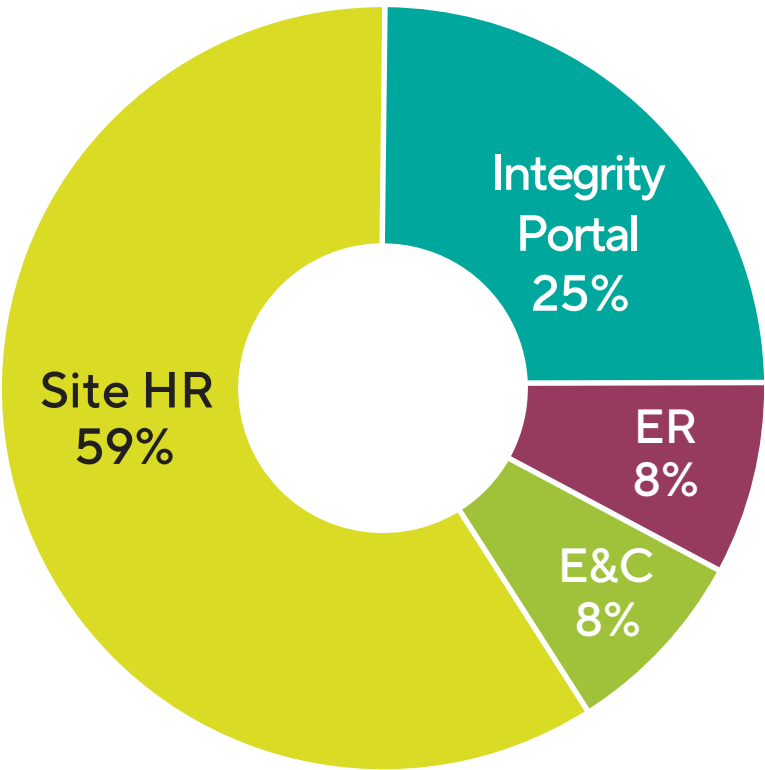
A Year in Review: FY24 Investigations by the Numbers

Both our Company and our Ethics & Compliance team value and understand the importance of transparency. Being transparent:

- Illustrates that employees have connected with our call to action and are using their voices/speaking up about concerns; and
- Builds on that momentum by encouraging our employees to continue asking questions and sharing concerns.

We take great care as a Company to evaluate the facts and circumstances of individual situations and recognize the significant responsibility and implications of any disciplinary or employment decisions recommended.

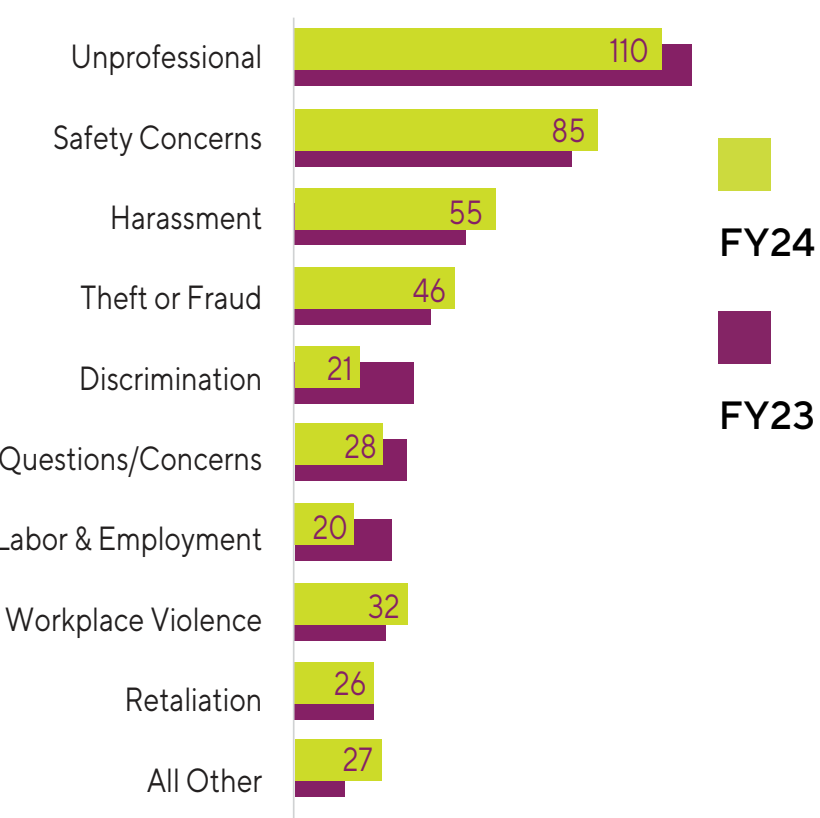
FY24 Reporting Channel



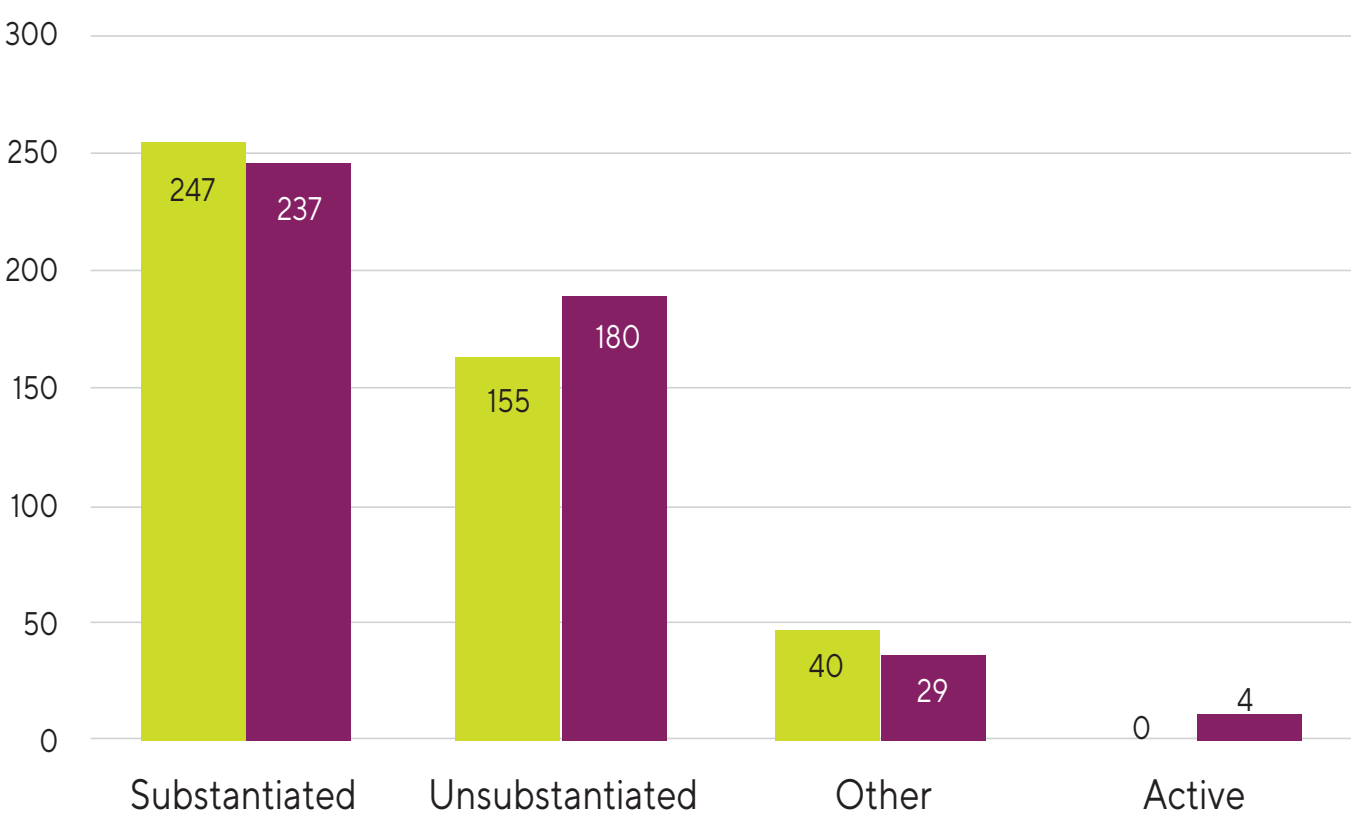
FY23 Reporting Channel



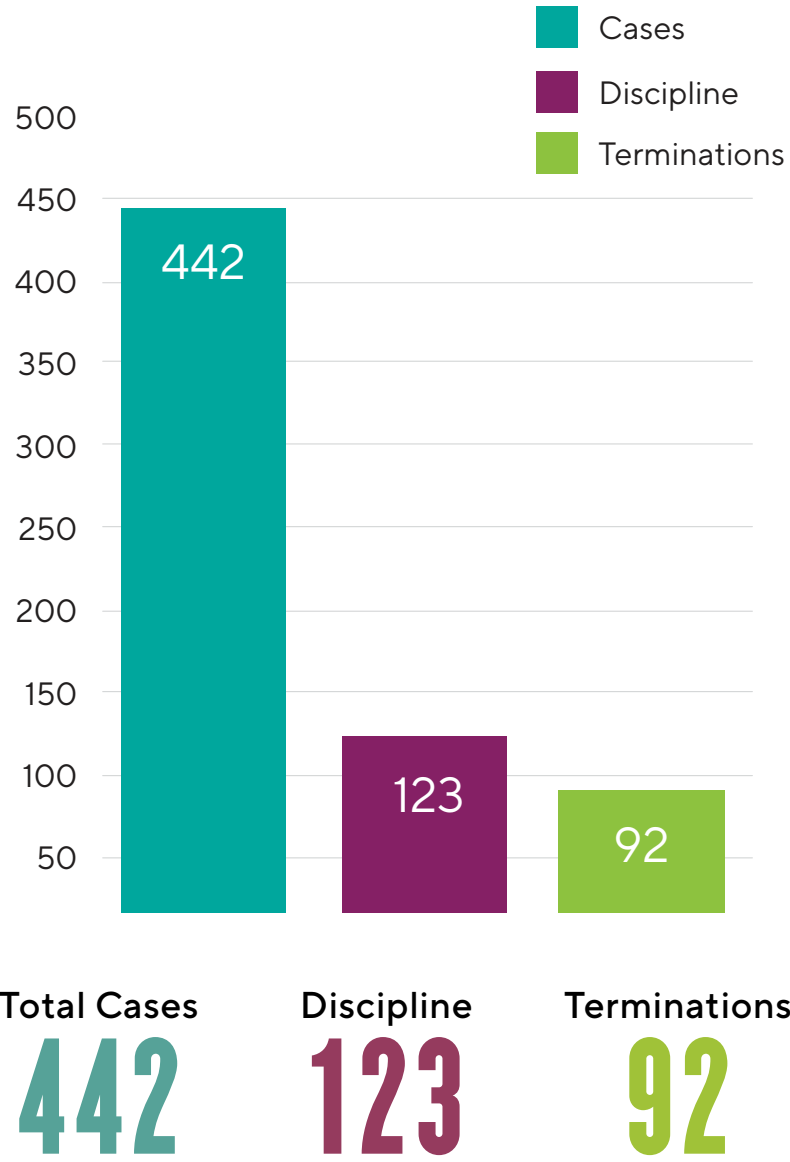
Issue Types



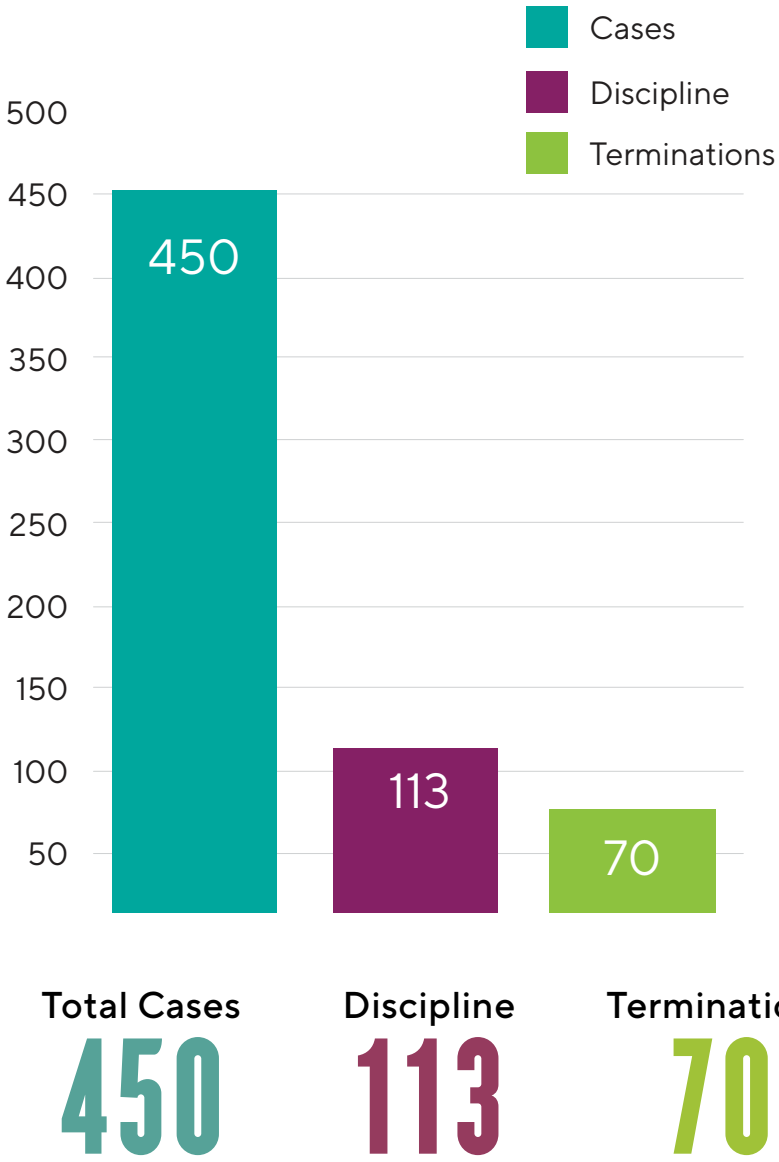
Case Resolution Outcomes



FY 23 Case Count



FY 24 Case Count



THEMES

TOTAL CASE COUNT

FY24
452
FY23
442
FY22
406

1.8%

Increase year over year
across the Company

5.88%

Increase over the average
of the prior two fiscal years

-4.05%

Despite the increased case volume,
FY24 saw the Substantiated Case
rates drop

DECREASED DISCIPLINES AND TERMINATIONS

DISCIPLINES

123 → 113

-8.85%

Year over year
reduction

TERMINATIONS

92 → 70

-31.43%

Year over year
reduction

TOP FOUR CASE CATEGORIES

110 UNPROFESSIONAL
BEHAVIOR 85 SAFETY
CONCERNS 55 HARASSMENT 46 THEFT OR
FRAUD

INCREASED CASE VOLUME

SAFETY CONCERNS 80 → 85 HARASSMENT 49 → 55 THEFT OR FRAUD 39 → 46 WORKPLACE VIOLENCE 26 → 32

DECREASED CASE VOLUME

UNPROFESSIONAL BEHAVIOR 115 → 110 DISCRIMINATION 34 → 21 LABOR AND EMPLOYMENT 27 → 20

Although case counts rose slightly over the prior year, substantiation rates, and resulting discipline and terminations were down. The data reflects the continued strength of our speak-up culture in action resulting in employees feeling empowered to raise concerns about conduct in the workplace. Every concern reported by our employees was fully reviewed through our thorough, effective, and efficient investigation process. Through this process, 52.67% of cases were substantiated as violations of our Company policy/policies.



REAL-LIFE SCENARIOS AND OUTCOMES

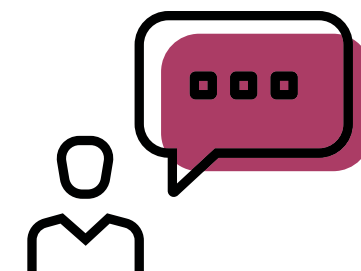
The scenarios presented on the next pages are summaries of actual investigations conducted in FY24 and representative of the issues raised and addressed by the Investigation Team, as well as the resulting actions taken. These investigations involved employees across all levels of the organization. Certain details have been adjusted or redacted to balance the Company's dual commitment to discretion and transparency.



Quality Concern

A Quality Technician reported that some scales had been missing, but another Technician completed the weekly scale verification document for them. The second Technician who had completed the weekly scale verification document admitted during an investigation that they did not know where the missing scales were and signed off on scale verification forms without having actually verified them. The Technician then admitted to signing off on other quality-related documents without having performed the appropriate quality checks. The Technician's employment was terminated for document falsification.

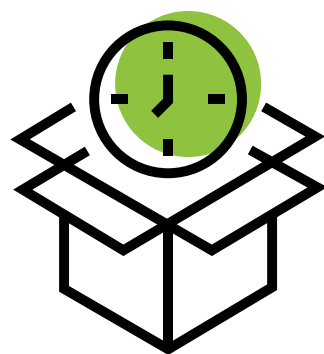
At Smucker, we take pride in the quality of our product. In **Our Code, section 4.2 - Upholding High Standards for Food Safety & Integrity**, we reaffirm our commitment to strictly adhering to our quality control procedures. We have strict controls in place to fulfill our commitment to delivering premium products that meet the highest standards of quality, and anything less is not acceptable.



Unprofessional Behavior

While investigating a spam email, an IS team member discovered that a Director-level employee sent messages from his Smucker email to his personal email and to external individuals that contained inappropriate, offensive, derogatory, and vulgar language.

The investigation into the vulgar messages confirmed the behavior, as the employee admitted to sending the messages. The investigation also found that the employee had failed to disclose a personal relationship with a supplier. **Our Code Section 7.3 – Protecting Company Assets** states, in relevant part, that “personal use of the Company’s devices and systems, including...email and the internet, is permissible so long as such usage does not...Involve illegal, sexually explicit, political, discriminatory, or otherwise inappropriate materials.” Therefore, the employees sending of these inappropriate emails violated this policy. In addition, their failure to disclose a personal relationship with a supplier violated **Our Code Section 5.1 – Avoiding Conflicts of Interest**, which notes that “a conflict of interest occurs when your personal interests interfere, or appear to interfere, with the interests of your Company.” As a result of these violations of Company policy, the employee’s employment was terminated.

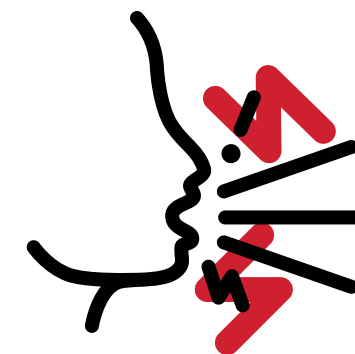


Theft of Time

While processing payroll it was discovered an employee was submitting for additional time and adding hours that they did not actually work.

The investigation concluded that there were several occurrences where the employee received pay for work they did not perform. The employee denied the allegations, but records and video footage confirmed the employee was not at work while they were clocked in. The employee was required to repay the overpayment and was separated from the Company for fraudulently reporting their time worked.

At Smucker, each of us has the responsibility to provide honest and accurate information. **Code section 9:1 Records & Financial Records** states that “accurate financial reporting means employees should never falsely report time worked to earn more pay or to avoid discipline for being late or absent from work.”



Harassment

A consumer reported that a Smucker employee, while driving a Company vehicle, directed profanity and homophobic slurs at him. During the ensuing investigation, the employee admitted that they got out of their Company vehicle, yelled at the other driver, and directed profanity at him. The employee also admitted that they “may have” used homophobic slurs while yelling at the other driver.

Smucker’s **Anti-Harassment Policy** strictly prohibits harassment, which includes “Verbal conduct including taunting, derogatory comments and slurs.” As a result of this employee’s violation of policy, his employment was terminated.

Our Company maintains high standards for employee conduct. These standards help us preserve our unique culture, and the use of homophobic slurs are not aligned with our culture.



Safety

During a manager's plant floor walkthrough, they witnessed what they thought to be a lockout tagout (LOTO) violation. The manager questioned the employee working on the machinery on why the equipment was not locked out. The employee shrugged it off and said they were in a hurry. The manager notified HR right away. The employee responsible for the lock out, tag out violation was placed on administrative leave pending investigation. During the investigation, it was determined that it was indeed a LOTO violation, and the employee was terminated due to the willful, intentional safety violation.

We are committed to providing a workplace where health, safety, and compliance with applicable laws and regulations is top priority.



Expense Fraud

A leader reported that while reviewing the expense reports of an Orrville-based employee who did not live locally, they noticed that the employee had several charges that appeared personal or otherwise inappropriate.

An investigation confirmed, and the employee admitted, that on multiple occasions, they used their corporate credit card as a "bridge" to make personal purchases when they did not have the cash or a personal credit card for the purchases, and that they failed to repay those personal charges in a timely manner. The employee admitted that they used their corporate credit card to purchase meals in their hometown at the beginning or end of business trips, and expensed the cost of their travel to and from Orrville.

The Company's **Corporate Card Policy** strictly prohibits the personal use of corporate credit cards. And while at the time there was no written policy addressing who is responsible for the cost of non-local, Orrville-based employees' travel to and from Orrville, the general understanding and expectation was that such employees would be responsible for their own travel costs (the *Remote and Hybrid Work Policy* has since been updated to address that issue).

The employee's employment was terminated for violations of the **Corporate Card Policy**.



Third Party Concerns

Two Smucker leaders reported that while visiting a co-manufacturer, a leader of the co-manufacturer made inappropriate comments and gestures toward a Smucker employee.

All Smucker employees involved in that visit were interviewed as part of the ensuing investigation and corroborated the allegations. The employee on the receiving end of the behavior confirmed that the co-manufacturer's leader made them feel uncomfortable.

Smucker's **Global Supplier Code of Conduct** requires suppliers to "provide a workplace in which all employees are treated with dignity and respect," and "ensure the workplace is free of harassment, including sexual harassment." In addition, suppliers are subject to Smucker's Anti-Harassment Policy, which prohibits "any form of sexual harassment," including "unwelcome or inappropriate touching."

The investigation determined that the co-manufacturer's leader violated both of those policies. Smucker's Ethics & Compliance team notified the co-manufacturer's Board of Directors of the allegation and findings, and its Board notified Smucker's Chief Ethics & Compliance Officer that the leader has been banned from the premises when Smucker employees visit, and that the Board took "other steps" to ensure that similar behavior does not happen again.



Drug Free Workplace & Substance Abuse

During a shift, a Team Leader noticed that a Technician was slurring his words and acting strangely on the production floor. The Team Leader contacted HR and together they performed a reasonable suspicion assessment. Both the Team Leader and the HR Manager confirmed reasonable suspicion and the Technician agreed to a drug and alcohol test. The Technician tested positive for alcohol and was subsequently terminated from the Company.

The Drug Free Workplace & Substance Abuse policy states working under the influence of alcohol is prohibited and all manufacturing facilities are alcohol-free. Smucker understands the dangers of working under the influence of drugs and alcohol and how it can subject employees to safety risks and operating effectively.

If you experience or witness conduct that is inconsistent with our Basic Beliefs, the Code, policies, or the law, please speak up.

Your Voice Has Power. Let it Be Heard.

Access the JMS Integrity Portal!

Call: 1-844-319-9352 or Online : www.jmsintegrity.com

WHAT'S NEXT: FY25

To continue to emphasize the “ETHICS” part of Ethics & Compliance, we have numerous plans in place to ensure we continue to have the tools and resources in place so that all employees will never hesitate to **Do the Right Thing**.



Corporate Compliance Week: November 18-22

Join Ethics & Compliance the week of November 18-22 for National Compliance Week. This week-long celebration is a great opportunity to shine a spotlight on the importance of compliance and ethics for organizations nationwide. Ethics & Compliance will have fun in-person and virtual opportunities for employees to celebrate and learn more! Stay tuned for ways in which you can get involved.

Ethics & Compliance Culture Assessment

Bi-annually, Ethics & Compliance oversees a survey of our employees’ perception of our Company’s Ethics & Compliance program. In early calendar year 2025, we will be rolling out a Company-wide survey to help us measure our culture of compliance across our Company. We invite all employees to provide their input. This survey will help us identify opportunities for improvement and guide our Ethics & Compliance Program. More details coming soon.

Ethics in Action

Let’s continue to acknowledge our employees for their good ethical behavior through Ethics in Action: Our Commitment to Integrity. This program is a peer-to-peer recognition program created by Ethics & Compliance to enhance our message of integrity at all levels across the Company and to acknowledge our employees who consistently demonstrate our Basic Belief, **Do the Right Thing**. Nominate an employee exemplifying our Basic Beliefs [here](#). Ethics & Compliance will select an employee to recognize on the Neighborhood every month.

ICARE Ambassadors

Last fiscal year we kicked off our ICARE Ambassador program. ICARE, which stands for “Integrity, Compliance, Accountability, Risk and Ethics,” was created to broadly raise awareness throughout the organization regarding top risks in compliance areas. We now have over 15 employees dedicated to increasing awareness about the Ethics & Compliance Program in their departments. If you want to learn more about ICARE Ambassadors or have an interest in becoming one for your department, email smucker.ethics@jmsmucker.com.



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