

Smucker Foods of Canada Corp.'s Fighting Against Forced Labour and Child Labour in Supply Chain Report

ABOUT THIS REPORT

Smucker Foods of Canada Corp.¹ has prepared this report (the "**Report**") pursuant to the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**") for the financial year ended April 30, 2025 (the "**Reporting Period**"). All references in this Report to the "**Company**", "**Smucker Foods of Canada**" "**we**", "**us**" or "**our**" refer to Smucker Foods of Canada Corp. unless otherwise indicated. This Report has not been externally assured.

Smucker Foods of Canada does not report under similar legislation in any other jurisdiction. However, The J.M. Smucker Company ("**J.M. Smucker**") reports in California.²

INTRODUCTION

Smucker Foods of Canada is committed to conducting our business with the highest sense of ethics, which leads more broadly to a commitment to integrity in all that we do. We believe that integrity means having a strong moral compass. It means upholding ethical standards. And, in the simplest terms, it means Do the Right Thing, which is one of our five Basic Beliefs. These commitments guide our interactions with customers, consumers, employees, suppliers, communities, and other stakeholders.

Smucker Foods of Canada abides by all labour, wage, hour, and relevant employment laws, and is committed to compliance with all international human rights principles. We do not use, or permit the use of, any form of slavery, including involuntary labour, forced labour, child labour, or human trafficking (collectively "**Modern Slavery**"). We expect our suppliers to abide by these laws and principles as well, and we will never knowingly do business with any party that violates employment laws or engages in human rights abuses.

By operating with integrity, Smucker Foods of Canada is committed to compliance with all laws, rules, and regulations that govern our business, and we expect our employees to uphold the spirit of our Code of Business Conduct, Company policies, and applicable laws at all times.

Through our unwavering commitment to producing quality products, operating responsibly and ethically, and delivering on our purpose, we will continue to grow our business and the positive impact we have on society.

STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

Company Structure

Smucker Foods of Canada is an indirect wholly-owned subsidiary of J.M. Smucker, which is headquartered in Orrville, Ohio, United States ("**US**"). J.M. Smucker was established in 1897 and incorporated in Ohio in 1921. Smucker Foods of Canada's head office is in Markham, Ontario.

¹ Business No. 104583992RC0006.

² The California Transparency in Supply Chains Act Disclosure can be found [here](#).

J.M. Smucker employs approximately 9,000 employees globally. In Canada, Smucker Foods of Canada employs approximately 250 individuals and has one manufacturing and processing facility in Sherbrooke, Quebec, three principal distribution centers (operated by third parties) in Montreal, Quebec, Brampton, Ontario and Rockyview, Alberta, and one sales and administrative office in Markham, Ontario.

Activities and Operations

J.M. Smucker principally operates in one industry, the manufacturing and marketing of branded food and beverage products worldwide, with the majority of its sales occurring in the US. Certain operations occur outside of the US and are principally located in Canada. J.M. Smucker's key products include coffee, cat food, pet snacks, frozen handheld products, sweet baked snacks, peanut butter, fruit spreads, and portion control products, as well as baking mixes and ingredients. In Canada, J.M. Smucker is the branded market leader in flour, fruit spreads, canned milk, and ice cream toppings.

Smucker Foods of Canada falls under J.M. Smucker's "International and Away From Home" business. This includes the sale of products distributed domestically and in foreign countries through retail channels and food service distributors and operators (e.g., health care operators, restaurants, lodging, hospitality, offices, schools and universities, and convenience stores). Our total net sales in Canada for the Reporting Period were \$433.2 million USD.

Our Supply Chains

The raw materials we use in each of our segments are primarily commodities, agricultural-based products, and packaging materials. The most significant of these materials, based the annual spend during the Reporting Period, are green coffee, peanuts, protein meals, grains, and plastic containers. More details with respect to some aspects of our supply chains is set out in the table below:

Goods and Services in our Supply Chains	Information Relating to Source Country and Supply Chain
Green Coffee	Sourced from various regions spanning South America, Central America, Asia, the tropics around the equator, and Africa, including Brazil, Vietnam, Indonesia, and Colombia.
Peanuts, protein meals, and oils and fats	Sourced primarily from North America.
Fruit	80% of the fruit used in J.M. Smucker's products is processed in its own facilities. The fruit used in the products is sourced from various regions, including US, Mexico, and Chile.
Grains	The grains are predominantly sourced from Canada and US.
Transportation and Logistics, including ships, trucks, and railcars, to bring products to market	Transportation and logistics activities are managed exclusively between manufacturing facilities and principal distribution centers

POLICIES AND DUE DILIGENCE³

We are committed to ensuring the sustainability of our supply chain while supporting those connected to it by strategically investing in our suppliers' ability to continuously deliver the quality ingredients used in our products. This supports livelihoods for our suppliers and their families, while ensuring we meet our expectation of ethical and responsible sourcing. This is realized by:

- Communicating our expectations with regard to labour practices and human rights, business integrity, responsible environmental practices, and reporting and enforcement standards through our Global Supplier Code of Conduct;
- The steady expansion of our Global Responsible Sourcing Program to drive positive impact across supply chains through enhanced collaboration, including streamlining processes and engaging internal and external stakeholders; and
- Reinforcing our commitment to transparency through our Integrity Portal, an enhanced tool for employees and suppliers to anonymously report any concerns that may impact our commitments.

Our Commitment to Integrity: Our Code

J.M. Smucker has established a Code of Business Conduct, known as "Our Commitment to Integrity: Our Code," which is publicly available on our website, [here](#). This Code of Business Conduct applies to all employees, officers, and directors of J.M. Smucker and its subsidiaries, including Smucker Foods Canada. It also applies to those working with our Company— including suppliers, distributors, joint ventures, consultants, contractors, and contingent workers conducting business on our behalf. The Code of Business Conduct reinforces the commitment to compliance with all international human rights principles and to not use any form of Modern Slavery across our entire value chain.

Global Supplier Code of Conduct

Our Global Supplier Code of Conduct is publicly available on J.M. Smucker's website, [here](#). It sets out the basic and minimal expectations that all suppliers must meet to do business with J.M. Smucker and its subsidiaries, including Smucker Foods of Canada. The Global Supplier Code of Conduct reiterates that we are firmly committed to conducting business in compliance with both the letter and spirit of the law and the highest ethical principles, as well as our commitment to protecting the human rights of all the workers in our supply chain. We expect every supplier to conduct business responsibly, with integrity, honesty, and transparency, and to meet the standards of the Global Supplier Code of Conduct. We will not do business with suppliers who knowingly violate laws or have repeated problems conforming to them.

The Global Supplier Code of Conduct sets out policies regarding child labour, forced labour, responsible recruitment, freedom of association, and wage and hour practices. As part of the Global Supplier Code of Conduct, suppliers must also ensure that their suppliers and subcontractors involved in the provision of goods or services for Smucker Foods of Canada are

³ The policies and due diligence processes set out in this section are implemented at J.M. Smucker, parent corporation level, and are imposed upon and adopted by its subsidiaries, including Smucker Foods of Canada.

also in compliance. If the Company determines that any supplier has violated the Global Supplier Code of Conduct, the Company may, at its discretion, either terminate its business relationship or require the supplier to implement a corrective action plan within a time frame agreed upon between the supplier and the Company.

Responsible Sourcing Program

Our Responsible Sourcing Program involves the mapping and risk assessment of priority supply chains as well as audit verification and remediation of higher-risk facilities to support long-term sustainability.

The Responsible Sourcing Program employs various mechanisms to assess business partner adherence to the social, environmental, and business ethics standards. Production facilities sourcing goods to us – either directly or through a first-tier supplier – are required to complete a third-party audit in accordance with any of the approved social audit schemes, and business partners must provide us with a copy of the respective audit report. Any findings identified in the social audit must be addressed with a corrective action plan in alignment with the respective audit scheme. We monitor the status of corrective actions and remediation plans. To reduce audit fatigue among our business partners, the Responsible Sourcing Program has adopted a Mutual Recognition or Equivalency Model, which allows the facilities to comply with the audit requirements by leveraging from social audits previously completed for other brands or retailers as long as certain conditions are met.

Integrity Portal

J.M. Smucker's Integrity Portal is provided to our employees, customers, contractors, vendors, and others in a business relationship with Smucker Foods of Canada who wish to ask questions, seek clarification, or report potential concerns or violations of law, the Global Supplier Code of Conduct, or internal Company policies. The Integrity Portal is operated by an independent firm, 24 hours a day, seven days a week, 365 days a year, with translation services in over 25 languages. Reports may be submitted anonymously through the telephone or online. More information is available on the Portal website, [here](#) and in the 2024 Integrity Portal Report, [here](#).

Last fiscal year, J.M. Smucker reviewed and completed investigations on 442 cases via the Integrity Portal, and none resulted in the identification of child or forced labour.

We prohibit retaliation against individuals who report violations and require suppliers to prohibit retaliatory, threatening, or harassing acts against anyone who in good faith raises concerns or reports misconduct.

POTENTIAL RISKS IN OUR OPERATIONS AND SUPPLY CHAINS

The work to ensure a responsible and sustainable supply chain requires passion, diligence, and expertise. We conduct periodic assessments to evaluate the risks of Modern Slavery in our supply chains. We identify high-risk facilities based on several factors, including country location, commodity type, and publicly known social and environmental risks. We also rely on various sources of relevant information, including the US Department of Labor's Bureau of International Labor Affairs "List of Goods Produced by Child Labor or Forced Labor," the US Department of State's Human Rights Reports, Verite's Responsible Sourcing Tool, and Transparency International's Corruption Perceptions Index.

During the last fiscal year, J.M. Smucker took steps to prevent or reduce the risk of Modern Slavery in its supply chains that include, but are not limited to:

- Mapping and risk assessment of priority supply chains through our Responsible Sourcing Program;
- Consideration of the latest governmental advice and guidance;
- Gathering information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily
- Reviewed our risk management infrastructure, including, but not limited to, applicable governance bodies, policies, procedures, and legal obligations;
- Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains;
- Addressing practices in the organization's activities and supply chains that increase the risk of forced labour and/or child labour;
- Developing and implementing due diligence policies and processes for identifying, addressing, and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains;
- Carrying out a prioritization exercise to focus due diligence efforts on the most severe risks of forced and child labour;
- Communicating expectations that suppliers have in place policies and procedures for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains;
- Developing and implementing anti-forced labour and/or -child labour standards, codes of conduct and/or compliance checklists;
- Engaging with civil society groups, experts and other stakeholders on the issue of addressing forced labour and/or child labour;
- Auditing suppliers; and
- Monitoring suppliers.

Potential Risks in Our Operations

Smucker Foods of Canada considers the risk of Modern Slavery occurring within our operations to be low considering our workforce and our policies and procedures that govern recruitment/labour sourcing, working conditions, and the ethical treatment of our employees. From a geographical risk perspective, our employees are located in Canada only, which has a low

prevalence of child and forced labour, a low risk of vulnerability to child and forced labour, and a fairly robust governmental response addressing child and forced labour.⁴

Potential Risks in Our Supply Chains

We recognize that there is a risk of Modern Slavery occurring within our supply chains. We understand that geographic considerations, the nature of the raw material, and particular industries can carry a higher risk of Modern Slavery. There are also risks linked to certain industries even in countries considered to have lower risks of Modern Slavery. J.M. Smucker, however, has adopted a multifaceted and integrated approach to assessing risks in our supply chains, which considers a combination several factors including category, industry, country, and supplier management risk profiles.

Based on our risk assessment processes and due diligence processes described in this report, potential risks of Modern Slavery may exist in respect of our procurement of raw materials or commodities used in our supply chains, whether purchased directly or through suppliers.

Through our assessment of our operations and supply chains regarding the risk of Modern Slavery being used, we did not identify any instances of Modern Slavery during the Reporting Period. Accordingly, no steps were required to remediate Modern Slavery, or the loss of income associated with remediation efforts.

Management and Mitigation of Potential Risks

As our supply chains continue to evolve, so does our approach to maintaining our commitment to a responsible and sustainable supply chain. In addition to the management and mitigation measures described throughout this Report, we continue to prioritize our role in delivering on the needs of those in our communities, which is guided by our Thriving Together Agenda. This Agenda is focused on maximizing our impact in the availability of quality food, access to education, making connections to necessary community resources, and promoting equitable and ethical treatment for all. Beyond supporting a healthier planet, these initiatives target risk factors associated with Modern Slavery. Some of our initiatives include:

- **Engaging with nongovernmental organizations and other third parties:**
 - o **Coffee Supply Chain** Our coffee supply chain completed an assessment during fiscal year 2024 that utilized an innovative third-party to assess sustainability and human rights risks. Enveritas, an independent global non-profit with a "mission to end global poverty in the coffee sector by 2030," conducts randomized and unannounced surveys across J.M. Smucker sourcing regions. Using this data, they are able to recommend initiatives that aim to improve the overall well-being of the coffee-producing communities and remediate weakness.
- **Corporate Philanthropic Commitments:** The J.M. Smucker organization has donated more than \$1.5 million to key partners, including Feeding America, Greater Good – Rescue Bank, United Way, and Red Cross, to address the needs of those in communities where we live and work.

⁴ Walk Free, Global Slavery Index 2023, found [here](#).

- **Ingredient Sourcing:** We have performed an Agriculture Risk Assessment that informs our supply chain prioritization. The assessment considers social, environmental, and economic considerations for each ingredient and the sourcing regions. Social considerations include child labour, forced labour, governance, and supplier diversity. The assessment then defines what supply chains we engage in, and how and what that engagement entails.
- **Supplier Diversity:** We recognize the contribution of small and diverse businesses in the socioeconomic growth of the communities we serve – creating jobs, sparking innovation, and providing opportunities for many people to achieve financial success. We encourage and seek out opportunities for diverse companies to compete for business, including: minority-owned businesses, woman-owned businesses, veteran-owned businesses, disability owned businesses, and LGBT businesses. More information can be found in J.M. Smucker's Supplier Diversity Statement, [here](#).

The Responsible Sourcing Program at J.M. Smucker takes ongoing steps to prevent and mitigate Modern Slavery risks in the company's supply chains. Details about these activities are publicly available on the Program's website, [here](#).

TRAINING

Through J.M. Smucker, all Smucker Foods of Canada employees are required to complete awareness training on human rights issues, including Modern Slavery. Management and employees with direct responsibility for supply chain management are expected to complete additional training on the prevention of human trafficking in our supply chain.

ASSESSING EFFECTIVENESS

Smucker Foods of Canada uses the following methods to assess the effectiveness of its efforts to prevent and reduce the risk that Modern Slavery is present in its supply chains and operations:

- All policies, including our policy against forced labour or child labour, are published, and regular review and signed acknowledgment by our employees are required;
- J. M. Smucker conducts Sedex Members Ethical Trade Audits, facilitated by a third-party partner, at their manufacturing locations; and;
- J.M Smucker conducts internally led Ethics and Compliance audits.

APPROVAL & ATTESTATION

This Report was approved by the Board of Directors of Smucker Foods of Canada pursuant to section 11(4)(a) on April 14th, 2025.

I have provided this approval and attestation in my capacity as a Director of Smucker Foods of Canada and not in my personal capacity.

Signed by:

1AAFD2474A4C4BF...

- 8 -

I have the authority to bind Smucker Foods of Canada Corp.
George Ellinidis, VP & General Counsel - International
Smucker Foods Canada Corp.
April 14th, 2025