

Human Rights Risk Assessment

Whereas:

Smucker is among the top five pet food companies globally. With the acquisition of Big Heart Pet Brands, pet food accounts for more than one-quarter of total revenues and one-fifth of total segment profit for the six months ending October, 2015.

Reports in *The New York Times* and *The Guardian* about forced and slave labor on fishing vessels off the coast of Thailand describe brutal and inhumane conditions for people harvesting the fish that ends up in pet food.

Seafood-based pet food is among the fastest growing exports from Thailand and the United States is the largest customer of Thai fish.

These reports illustrate the heightened human rights risks, and potential negative moral, legal, financial and reputational impacts for companies at the end of the fish supply chain. A 2015 study of the Thai shrimp industry recruitment practices and migrant labor conditions commissioned by Nestle, SA found that virtually all U.S. companies buying seafood from Thailand are exposed to the risks of slavery in their supply chains.

Congressional legislation proposed aiming to increase transparency and accountability in corporate supply chains, as well as legal actions taken by consumers against major brands, including Smucker, for allegedly failing to disclose the use of forced labor in the pet food supply chain raise important regulatory and legal concerns.

Smucker has a Supplier Code of Conduct covering core International Labor Organization (ILO) standards and conducts compliance audits on selected suppliers.

The Company does not publish a company-wide Human Rights Policy that meaningfully addresses human rights issues including ethical recruitment practices in its supply chain. Adopting such a policy would be an important step in effectively managing human rights risks. Companies are then better positioned to assess the risks of human rights practices in their operations and supply chains, and can translate principles into protective practices.

The importance of human rights risk assessment is reflected in the United Nations Guiding Principles on Business and Human Rights (the "Ruggie Principles"). The Ruggie Principles state that "business enterprises should carry out human rights due diligence ... assessing actual and potential human rights impacts, integrating and acting upon the findings, tracking responses, and communicating how impacts are addressed."

RESOLVED, Shareholders request that by December, 2016 the Company publish, at reasonable cost and excluding confidential information, a report disclosing the process for identifying potential and actual human rights risks in its operations and supply chain (referred to herein as a "human rights risk assessment") addressing:

- Human rights principles used to frame the assessment
- Frequency of assessment
- Methodology used to track performance
- Nature of consultation with relevant stakeholders in connection with the assessment
- How the results of the assessment are incorporated into company policies and decision making

Supporting Statement:

As long-term shareholders, we favor policies and practices that protect and enhance the value of our investments. There is increasing recognition that Company risks related to human rights violations, can adversely affect shareholder value.