

Real food
that matters
for life's
moments



**GLOBAL SUSTAINABLE
PALM OIL PROGRESS
REPORT**

(August 1, 2018 - August 1, 2019)



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Campbell's Global Sustainable Palm Oil Approach



Palm oil is the most widely consumed vegetable oil on the planet, and is in about half of all packaged products sold in the supermarket. It plays an important functional role in some of Campbell's baked products, specifically across our Pepperidge Farm brands and recently acquired Snyder's-Lance brands including Snyder's of Hanover pretzels, Lance crackers, Pop Secret popcorn, and Snack Factory pretzel crisps. Palm oil is not present in our soups, beverages, sauces or simple meals.

While palm oil is more efficient to grow than other oilseed crops, requiring less land to produce than the other three major oil producing crops: soya, rapeseed and sunflower, unsustainable farming practices have a negative impact on some of the communities, environment and wildlife in developing countries where palms are grown.

Campbell is committed to improving the sustainability of palm oil and continues to support the responsible sourcing of palm oil through our goal to [responsibly source Campbell's priority raw materials by 2025](#). In FY 2019, 100% of the palm oil used in Campbell legacy brands continued to be sourced through a Roundtable for Sustainable Palm Oil (RSPO) Certified Mass Balance mixed source supply chain as it has been since 2016. All of our RSPO palm in FY 2019 was from physical supply chains; we did not purchase any PalmTrace Certificates.

In FY 2019, Campbell divested the Arnott's and Kelsen brands and completed the acquisition of the Snyder's-Lance portfolio of brands. We are committed to integrating Snyder's-Lance's sourcing into our certified sustainable supply and are working on converting 100% of that supply to certified palm oil by the end of FY 2021.

Campbell's [Sustainable Palm Oil Sourcing Guidelines](#) outline our expectations of our palm oil suppliers. If we are made aware of a supply chain violations of our policies and principles, we will work with our suppliers and RSPO to take corrective actions. We believe that working with suppliers to improve their sourcing practices has a greater positive impact in the long term than removing those suppliers from our supply chain. For that reason, we review each grievance and determine the best course of action on a case-by-case basis.

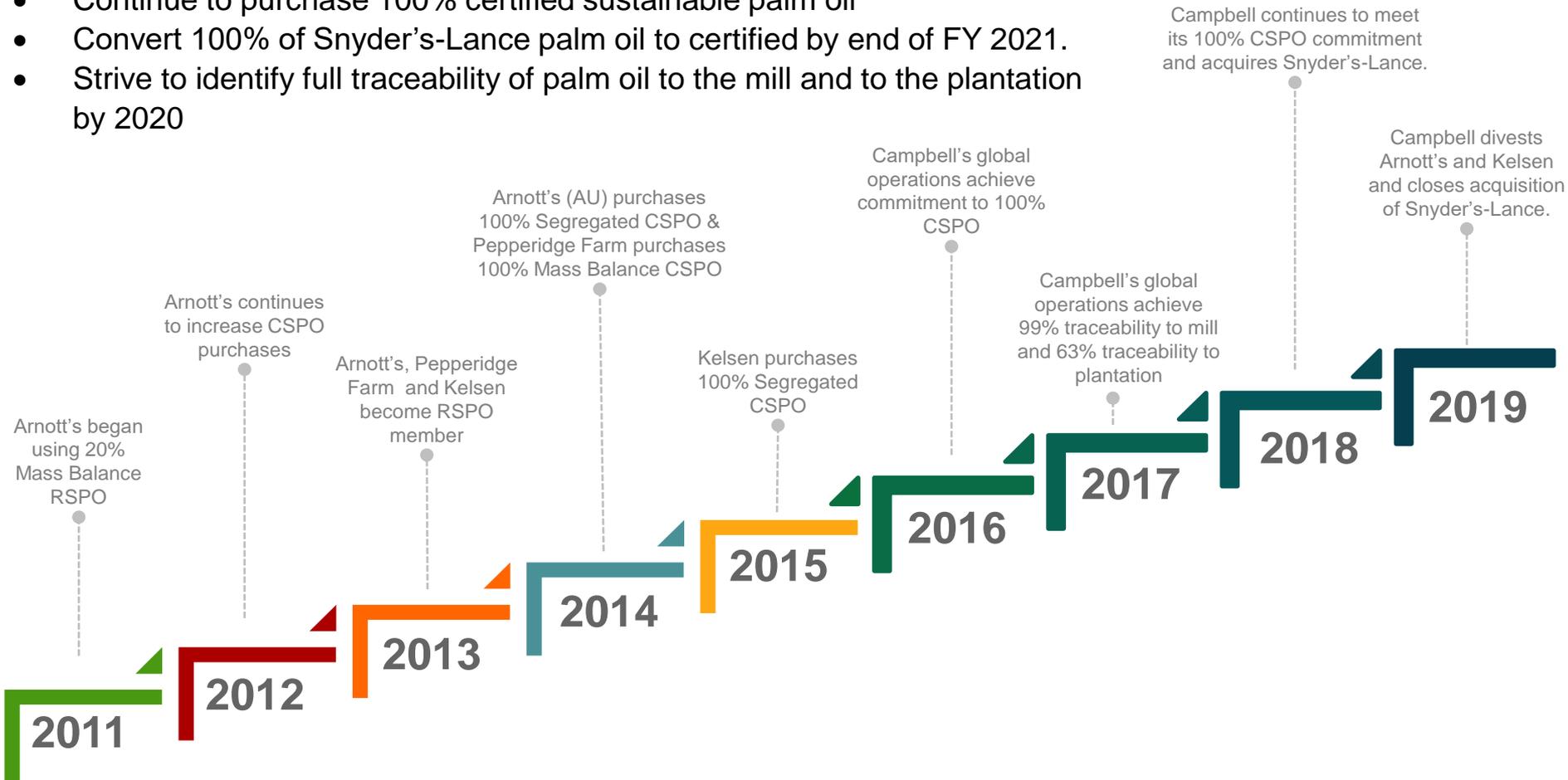


Commitments & Milestones



Our Commitments:

- Continue to purchase 100% certified sustainable palm oil
- Convert 100% of Snyder's-Lance palm oil to certified by end of FY 2021.
- Strive to identify full traceability of palm oil to the mill and to the plantation by 2020



Progress Update- By the Numbers (FY2019)



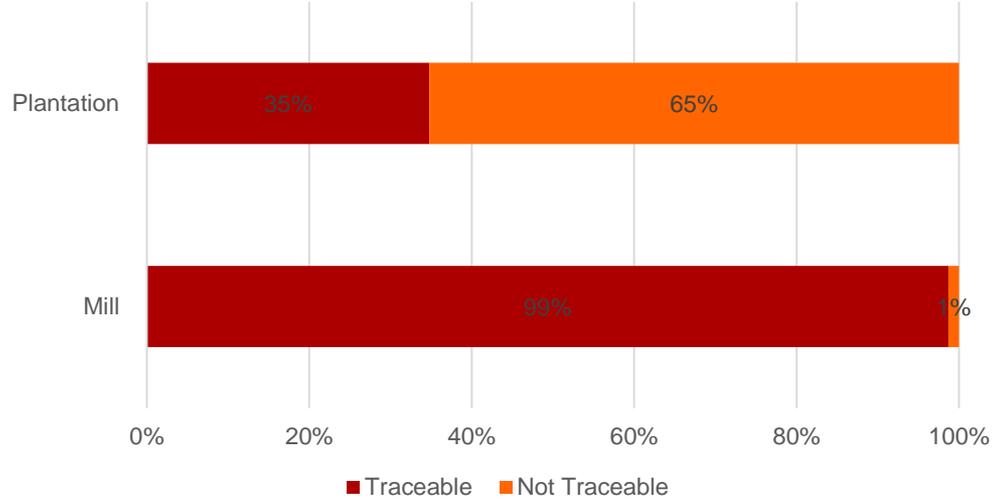
Campbell Legacy Brands



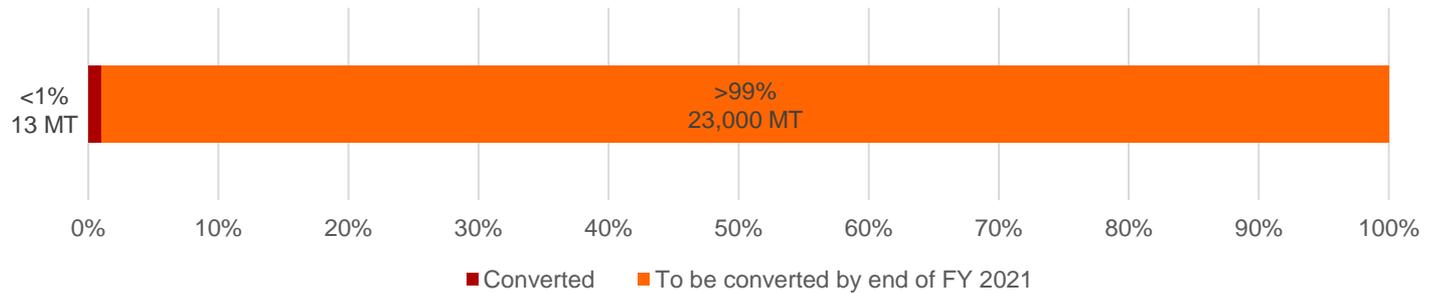
**5,800
MT**

Total RSPO volume sourced (mass balance)

Traceability of Certified Supply



Snyder's-Lance Acquisition (new in 2019)



Supplier Overview

Progress of Key Suppliers

CARGILL

- [Cargill Policy on Sustainable Palm Oil](#)
- [Labor and Land Rights](#)
- [Direct Supplier Grievances](#)
- [Sustainable Palm Oil Progress Update](#)
- [Commitments](#) to no deforestation of high conservation areas; no development on peat; no exploitation of rights of indigenous peoples and local communities.
- 100% traceability to mill and 48% [traceability](#) to plantation as of Q4 2019
- Owned plantations and mills in Indonesia are fully [traceable](#).

BUNGE/IOI LODERS

- [Bunge Palm Oil Sourcing Policy](#)
- [Non-Deforestation Policy](#)
- [Global Labor Policy](#)
- [Grievance Summary List](#)
- [Global Palm Oil Sourcing Update](#)
- 100% [traceability](#) to the mill
- 39% traceability to plantation

AAK

- [2017 Progress Report on Sustainable Palm Oil](#)
- NDPE Policy and disclosure information available in annual progress [report](#)
- 100% of palm oil, palm, kernel oil and derivatives are traceable to mill
- 44% [traceability](#) to plantation.

ADM

- [ADM NDPE Policy](#)
- [Human Rights Policy](#)
- [Issues and Resolutions Summary Table](#)
- 100% of palm oil is [traceable](#) to mill as of Q3 2019.
- 15% of palm oil traceable to plantation.

Supplier and Industry Engagement

In 2011, Campbell began its sustainable palm oil journey. Since then we have achieved significant improvements in engaging our suppliers to work with us on sourcing only RSPO Certified Palm Oil.

In 2016, we published our [Sustainable Palm Oil Sourcing Guidelines](#) and communicated those to our suppliers. In 2017, we published our [Responsible Sourcing Supplier Code](#) and since then, we have been working toward driving compliance with these standards.

Campbell is committed to working with our palm oil suppliers, which include Cargill, Bunge, ADM, AAK, and others, to ensure that they have sound policies in place to address the issues and grievances that occur in the palm oil supply chain. We also encourage our palm oil suppliers to publicly disclose the traceability of their palm oil supply. 100% of our palm oil comes from Indonesia and Malaysia and we engage our suppliers on achieving traceability beyond the mill and to the plantation. Further, in the instance of grievances related to the palm oil supply, we expect our suppliers to swiftly address the issues and provide a detailed plan of action, as well as updates and outcomes.

One of the ways in which Campbell is working to advance and support the sustainable palm industry is through participation in various industry initiatives. Our engagement includes being:

- An active member of the [Roundtable on Sustainable Palm Oil](#)
- A founding member of the [North American Sustainable Palm Oil Network](#)



Next Steps

Campbell will continue to evaluate all of its procurement processes to support best practices in responsible sourcing. We are proud of the work we have done in partnership with our suppliers to achieve 100% certified sustainable palm oil for our Campbell legacy business and working on applying those practices to our new acquisition.

In Campbell's [Corporate Responsibility Report](#), we outlined a set of Responsible Sourcing Goals focused on our priority raw materials, including palm oil. In FY 2020, we will be focused on working with our suppliers on increasing our sourcing for certified RSPO palm oil and certifying new facilities to accommodate RSPO palm oil.

Traceability and transparency of the palm oil supply chain, particularly in the U.S., remains challenging, but Campbell is committed to continuing our work with suppliers to strengthen our engagement and gain better visibility into our palm oil supply. We will also partner with our suppliers to ensure their understanding and compliance with our Sustainable Palm Oil Guidelines and to address any violations quickly.

Our ultimate goal is to partner with our suppliers and industry organizations to see improvements in the palm oil supply chain globally.

