



Campbell Soup Company Sustainable Palm Oil Sourcing Guidelines

Introduction

At Campbell, our enduring purpose is *Real food that matters for life's moments*. Our purpose and our brands illustrate our commitment to our consumers and to our stakeholders. For nearly 150 years, we have worked hard to keep that commitment, which is reflected in the strength of our brands – our most valuable assets.

Campbell Soup Company uses palm oil in cookie and cracker products within our Global Baked Snacks Division. Palm oil is a versatile ingredient and is a commonly used raw material among vegetable fats and oils. It is important to Campbell that our stakeholders have full confidence that the palm oil we purchase has been sustainably sourced from known and certified locations. We are committed to positively contributing to building and sustaining a socially responsible environment.

From time to time, auditors, who are either commissioned by suppliers or employed by us, will visit vendor operations to assess the effectiveness of the controls that have been implemented. This practice will ensure that systems and processes are effective and functional.

Framework & Scope

Building on the RSPO's Principles & Criteria (P&C) as a base, Campbell's Sustainable Palm Oil Sourcing Guidelines are designed to further engage and partner with key suppliers and the industry to focus on preventing deforestation, protection of peat lands, and engagement of economic and social impact for people and communities.

All requirements contained in the Campbell's [Supply Base Expectations and Requirements Manual \(SBREM\)](#) and [Campbell's Responsible Sourcing Supplier Code](#) apply globally to all Campbell purchases of raw and packaging materials from suppliers, including palm oil. The follow guidelines set additional requirements that are specific to the palm oil category. These guidelines and all supplier requirements apply to all production scales, from smallholder production to large estate operations. Campbell's implementation processes may vary to ensure an equitable approach with respect to small holder producers.

Commitment

Campbell is committed to the elimination of deforestation from our supply chain and to create an environment that positively impacts workers, farmers, and local communities in which we source. By the end of 2016, we met our commitment to purchase 100% certified sustainable palm oil (CSPO) in our global operations. We also committed to working with our key suppliers to map and identify our entire palm oil supply chain to provide full traceability to the mill by 2016 and to the plantation by 2020. To date, we have achieved 98% traceability to the mill and 58% traceability to the plantation. Challenges within the global palm oil supply and the way it is exported to North America continue to create

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challenges. Therefore, we are striving to achieve both of these traceability commitments by 2020 and will aspire to do so sooner.

We will also collaborate with our suppliers and an independent partner to map our supply chain and implement these guidelines.

Campbell will develop regular, annual communications to update key stakeholders and report on our progress in an open and transparent process.

In addition to the requirements established in our SBREM, Responsible Sourcing Supplier Code and our commitment, our palm oil suppliers are expected to comply with our Sustainable Palm Oil Sourcing Principles and Guidelines. Suppliers who fail to comply are expected to develop reasonable, time-bound corrective action plans. Failure to advance corrective actions will result in the termination of palm purchasing.

Principles & Guidelines

Campbell's suppliers are expected to verify that the palm oil they supply:

1. Does not come from areas cleared of natural forest:
 - a. Has not led to deforestation, degradation, or destruction of wildlife habitats
 - b. Has not contributed to the loss of high conservation value areas (HCVA)
 - c. Has not contributed to the loss of forest areas of high carbon value
 - d. Progressively reduces greenhouse gas emissions on current plantations
2. Protects peat lands
 - a. Does not create new developments on peat areas
 - b. Applies best practices for existing plantations on peat
 - c. Works with experts and relevant stakeholders to explore potential opportunities for peat restoration when feasible
3. Is derived from plantations and farms that operate in compliance with laws and regulations
 - a. Adheres to all relevant local, regional, and national laws as well as the RSPO standard or equivalent certification
4. Drives positive economic and social impact to people and communities
 - a. Respects the free prior and informed consent of indigenous and local communities concerning activities on their customary lands where plantations have been developed or are planned for development
 - b. Supports the Universal Declaration of Human Rights (UDHR):
<http://www.un.org/en/documents/udhr/>
 - c. Ensures and recognizes labor rights for workers
 - d. Facilitates smallholder inclusion within the supply chain
 - e. Resolves all valid complaints and conflicts through an open, transparent, and consultative process
5. Complies with the Roundtable on Sustainable Palm Oil Principles and Criteria and does not come from conflict sources
 - a. Is independently verified

Milestones

- We will continue to work with suppliers that show commitment to progress and intend to adhere to our Guidelines and Principles.
- We will continue to purchase only certified sustainable palm oil (by mass balance and segregated, and will use book and claim only if necessary).
- Campbell will strive to identify and map full traceability of palm oil to the mill and to the plantation by 2020.

Progress to Date

- 2011- Campbell Arnott's began using 20% Mass Balance CSPO
- 2013- Campbell Arnott's, Pepperidge Farm (North America), and Kjeldsen become RSPO member
- 2014- Campbell Arnott's Australia: 100% Segregated CSPO Purchased
- 2014- Campbell North America: 100% Mass Balance CSPO Purchased
- 2015- Campbell Kjeldsen (Europe): 100% Segregated CSPO Purchased
- 2016- Campbell's global operations purchased 100% CSPO
- 2016- Campbell's global palm oil supply is 98% traceable to the mill and 58% traceable to the plantation

Campbell's Global Palm Oil Volumes

Campbell's Global Certified Sustainable Palm Oil Volume (in tonnes)					
CSPO Sourcing Method	Crude and Refined Palm Oil	Crude and Refined Palm Kernel Oil	Palm Kernel Expeller	Other palm-based derivatives and fractions	Totals
Book & Claim	216	135	0	1440	1791
Mass Balance	5807.95	2077.86	0	0	7885.81
Segregated	14,565.66	0	0	0	14,565.66
Identity Preserved	0	0	0	0	0
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