



*Real food
that
matters
for life's
moments*

An industry perspective on F&V food system opportunities



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Campbell Soup Company*

Seismic Shifts Have Disrupted the Food Economy

Massive Demographic Shifts



Health and Well-being



Technology Advancements



Socio-economic Forces



Retail Landscape



Millennial Preferences Are Ascendant

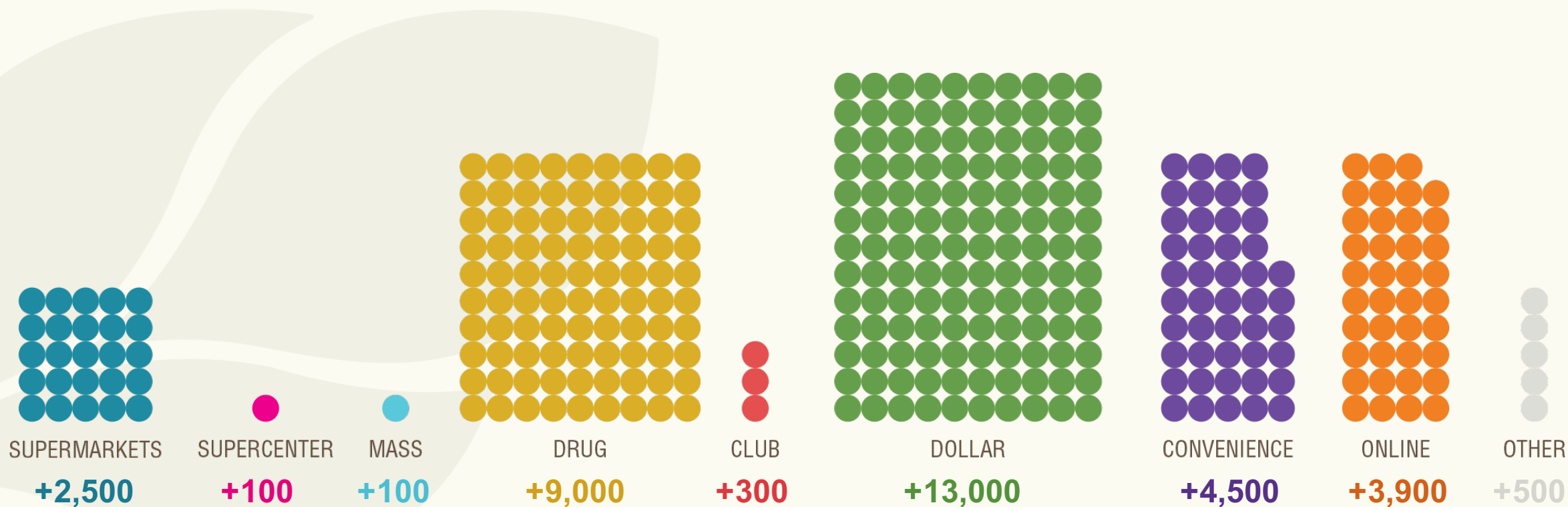


Rapidly Evolving Retailer Environment



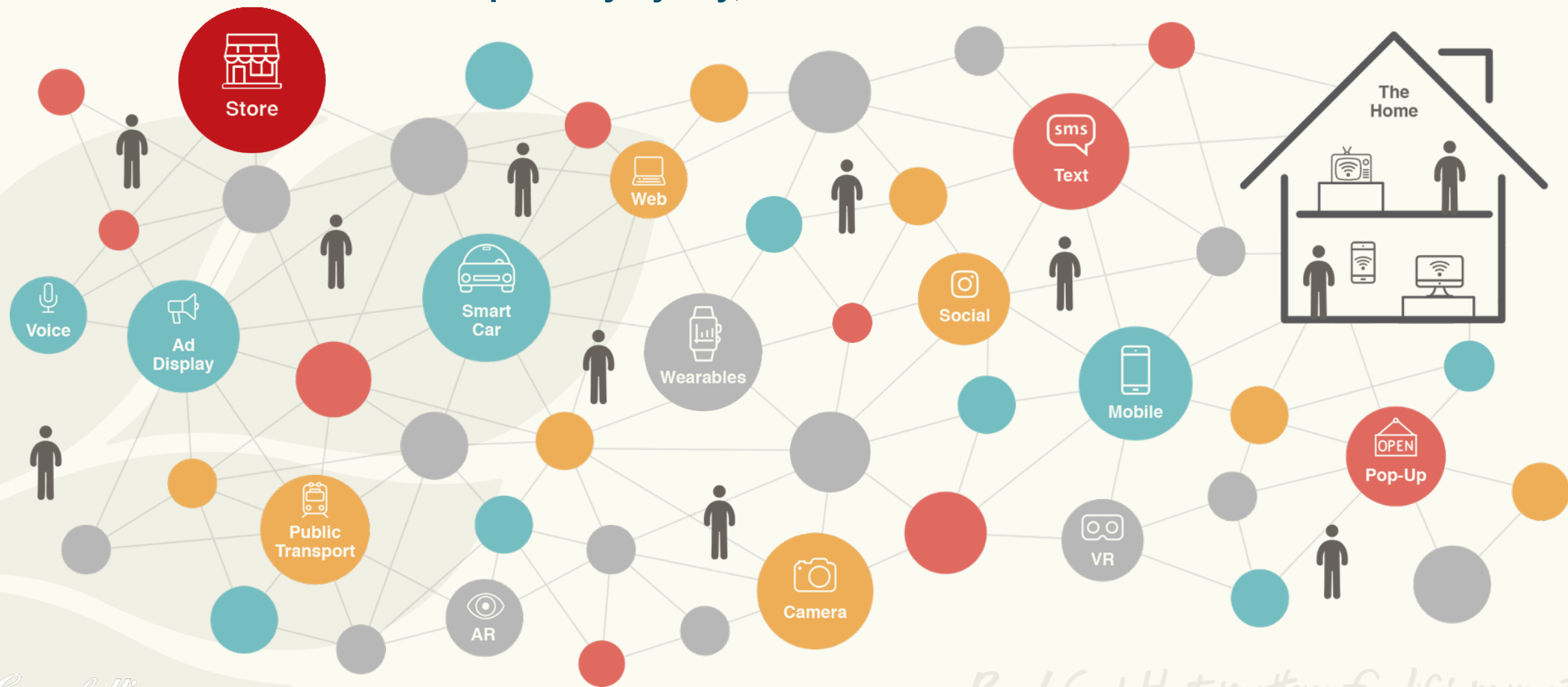
Rapidly Evolving Retailer Environment

2025 New Store Addition Estimates



The Future of Retail: An Integrated Marketplace

Retailers of the future will compete city by city, across dozens of transactional channels



Leading To a Slower Consumer Consumption Environment

Total Edible

L52: \$526B
% Chg YA:+1.4%
CY13-17 CAGR:+1.8%

Total Shelf Stable

L52: \$242B
% Chg YA:+1.2%
CY13-17 CAGR:+1.4%

Total Perimeter

L52: \$130B
% Chg YA:+1.1%
CY13-17 CAGR:+2.9%

Retail Packaged Fresh

L52: \$23B
% Chg YA: +5.4%
CY 13-17 CAGR: +5.4%

Some factors include:

- Shift to unmeasured channels
- Meal kits
- e-Commerce
- Farmers markets
- Eating fewer packaged goods (UPCs)
- More tap water & leftovers

Source: IRI TUS MULO L52 through 1/28/18

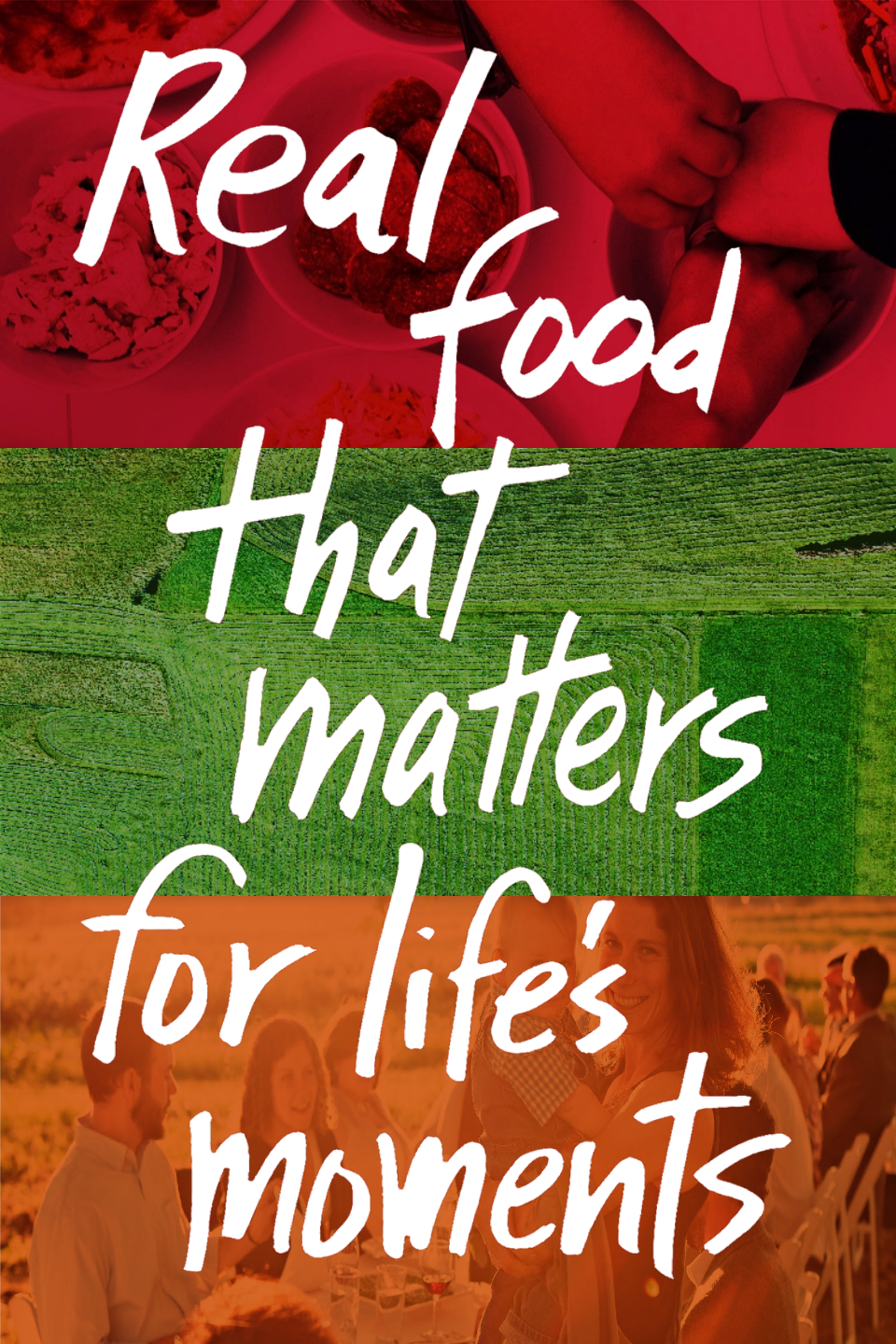
Total Edible defined as UPC based food and beverages & total random weight perimeter food and beverages

Total Perimeter defined as random weight food and beverages; includes bagged/fresh cut salad category

Retail Packaged fresh includes 48 categories to include bagged/fresh cut salad category

Portfolio of Iconic brands with sales of \$10 billion





Real food that matters for life's moments

We make real food for real people. They trust us to provide food and drink that is good, honest, authentic, and flavorful—made from ingredients that are grown, prepared, cooked, or baked with care.

People love that our food fits their real lives, fuels their bodies, and feeds their souls.



How We Think About Real Food

- **Real food has roots.**
 - Recognizable, desirable ingredients
- **Real food is prepared with care.**
 - Ethical sourcing and sustainable practices
- **Real food should be accessible to all.**
 - Delicious, safe and available



Sustainable Agriculture Strategy

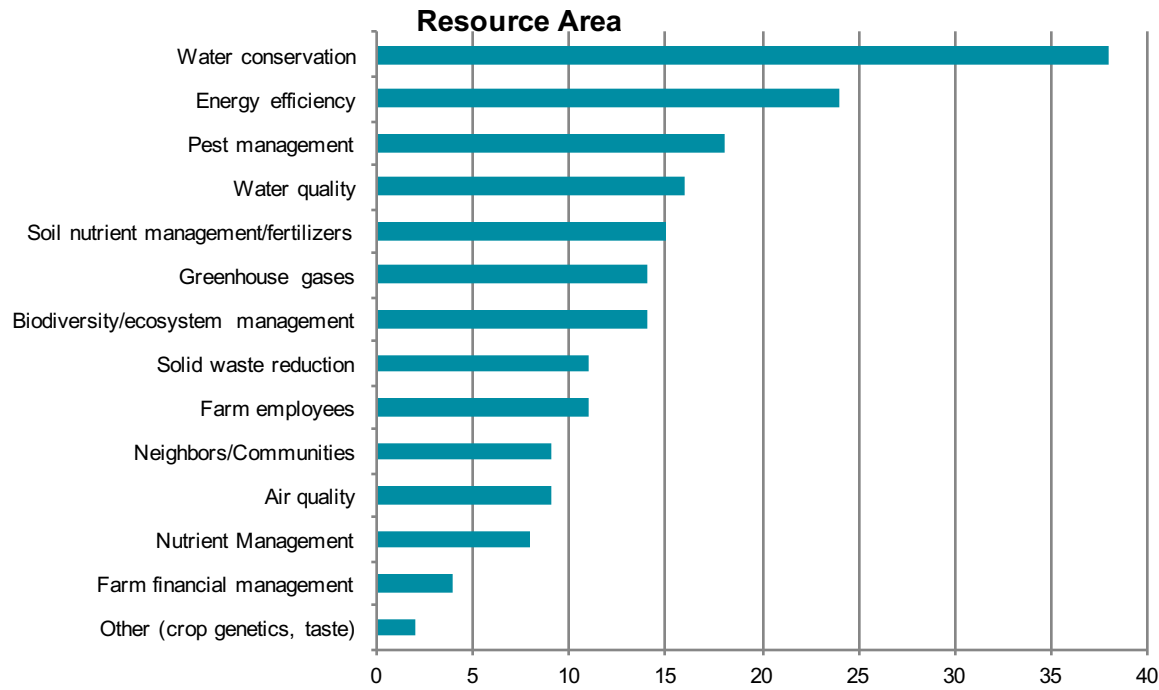
- **Developed Agricultural Practice expectations for all suppliers**
 - Embedded in the Responsible Sourcing Code
- **New goal launched in partnership with Responsible Sourcing**
 - Sustainably source 50% (by volume) of plant-based priority ingredients by 2025

Priority Raw Materials				
 AGRICULTURE	Tomatoes	Carrots	Jalapeños	Potatoes
 ANIMAL WELFARE	Chicken	Seafood	Pork	Eggs
 COMMODITIES	Wheat	Chocolate	Dairy	Sweeteners
 DEFORESTATION	Paper Packaging	Beef	Palm Oil	Soy

Priority raw materials were identified using information including: social and environmental risk, volumes, annual spend, existing commitments and importance to key products.

Campbell Agriculture Sustainability Focus

- The Campbell Ag Sustainability Program was launched in 2012 and focuses on tomatoes – an iconic crop for our iconic and innovative products.



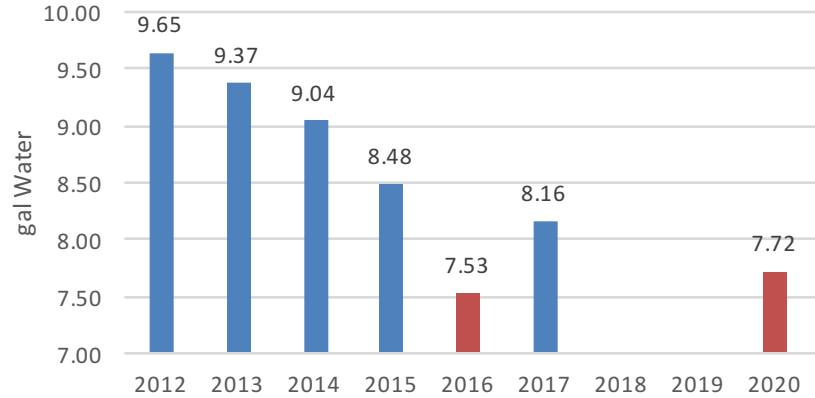
Tomato Data Model

- Each year, Campbell tomato field staff work with 50 tomato farms to get data from 400+ tomato fields

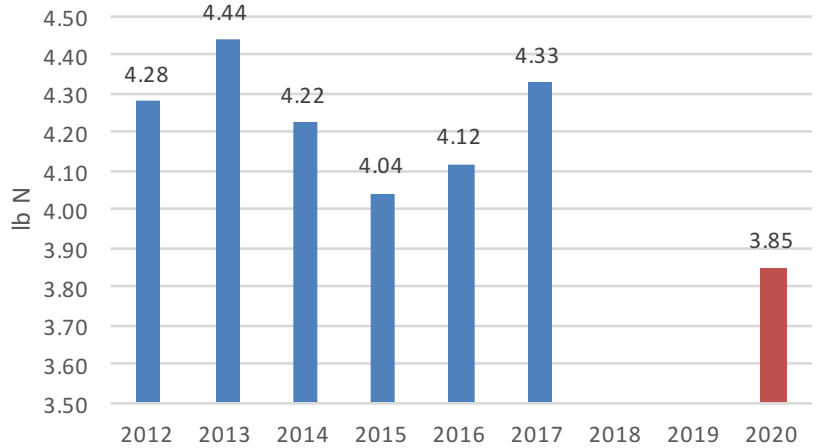


Sustainable Agriculture Goals

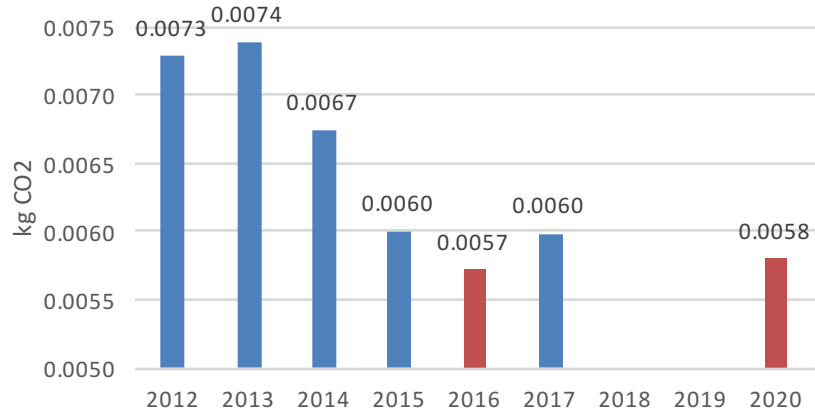
Irrigation Water Applied per Pound of Tomato



Nitrogen Use per Ton of Tomato



CO2eq Emissions from N2O per Ton of Tomato



While we achieved our water and GHG goals in 2016 with 22% reduction from 2012, weather conditions during planting and subsequent lower yields made it challenging to maintain that reduction, but we continue to make progress.

Element Analysis



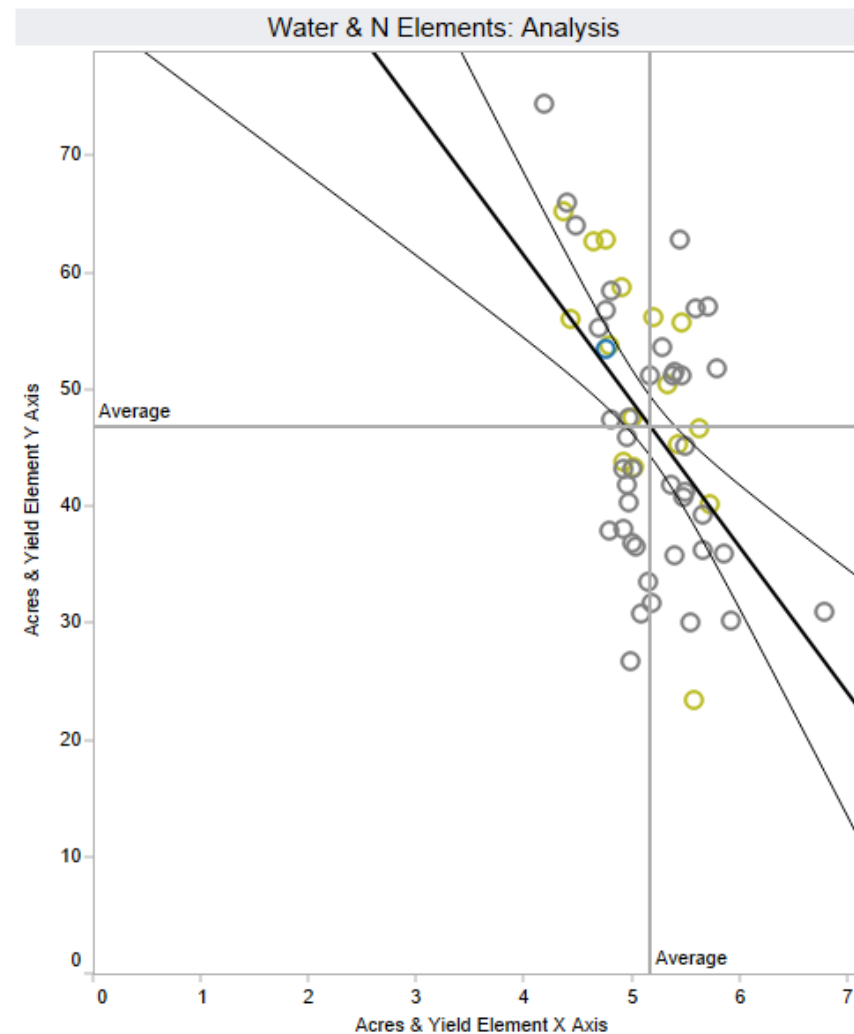
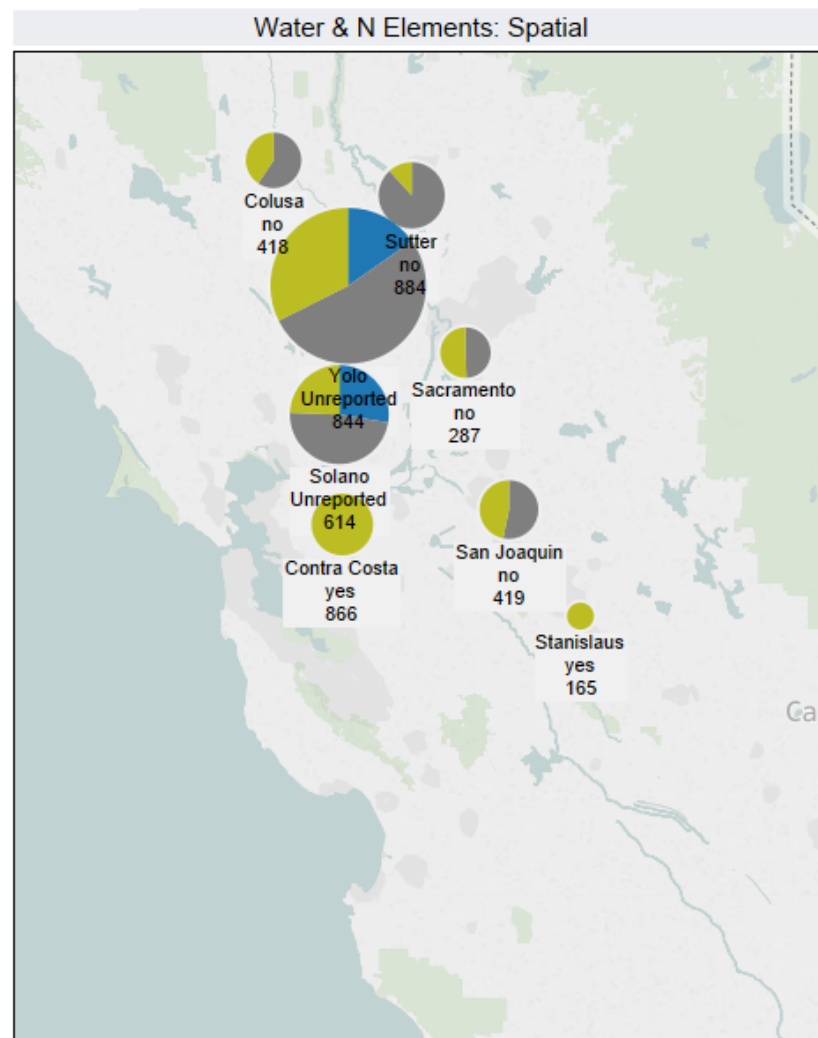
- Year**
- ☐ 2013
 - ☐ 2014
 - ☒ 2015
 - ☐ 2016
- Water & N Elements**
- ☒ Unreported
 - ☐ no
 - ☐ yes

INSTRUCTIONS: First select a Management Practice Element. The Pie Chart and pop-up show the breakdown within each county while the labels show the percentage of the entire population. Then select a Result Element for the Y and X axis. The data shows the results organized by the selected Management Practice Element of each Grower. A trend line is included with the data.

Management Practice Element
SOM added in 3 yrs

Acres & Yield Element X Axis
Delivered Solids

Acres & Yield Element Y Axis
Yield/Acre (tons)



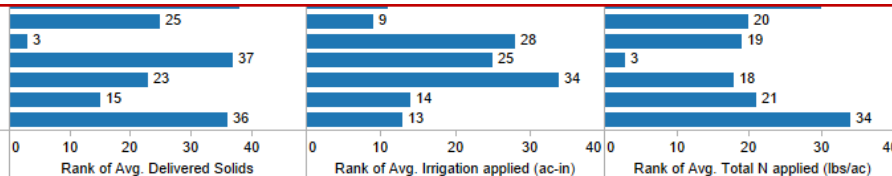
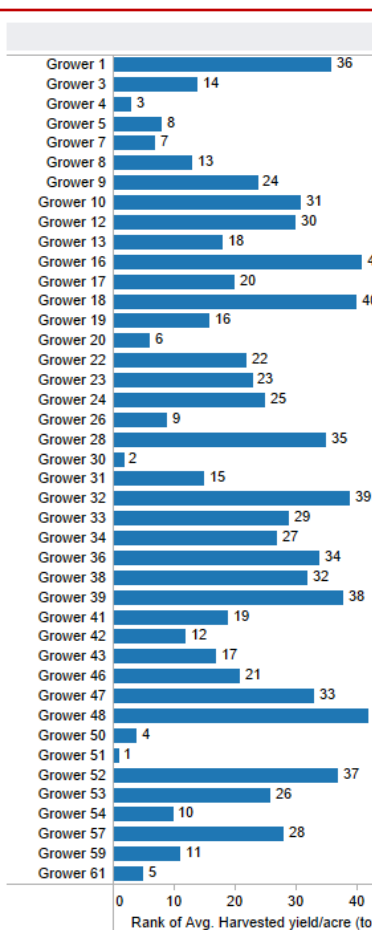
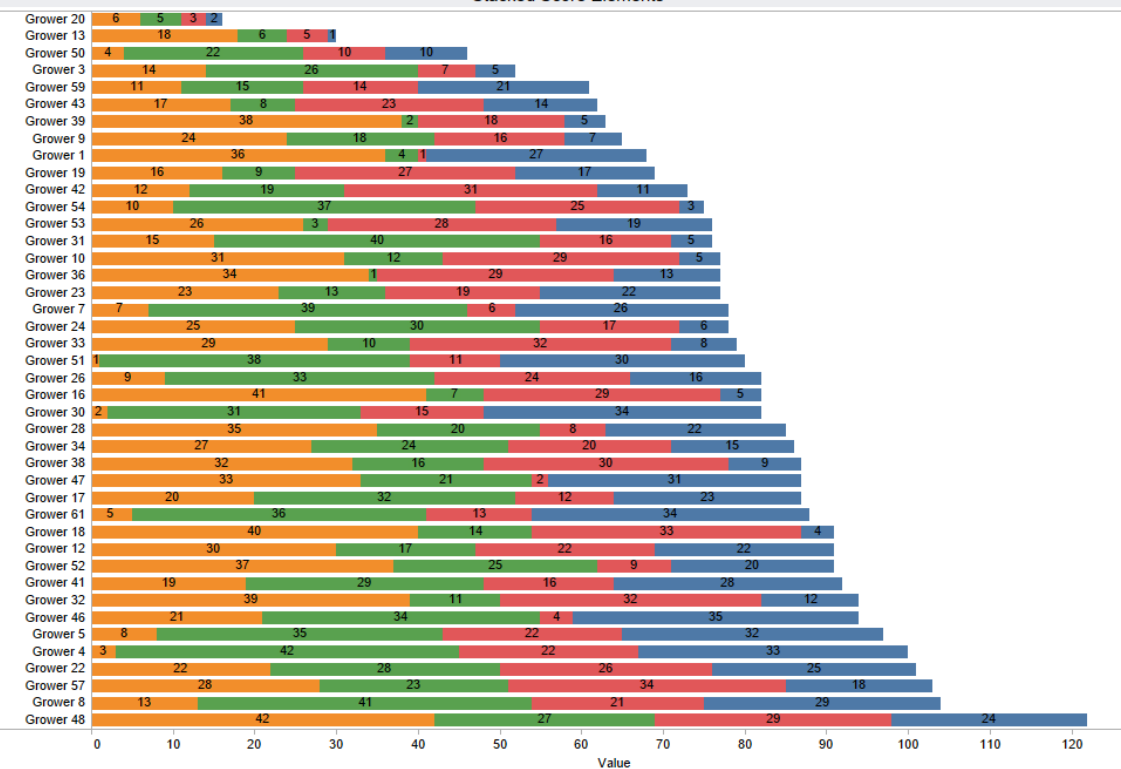
2016 Sustainability Highlights

ELEMENTS:
Harvested Yield/ac 295
Delivered Solids % 382
Irrigation Applied (ac-in) 126
Total N Applied (lbs/ac) 72

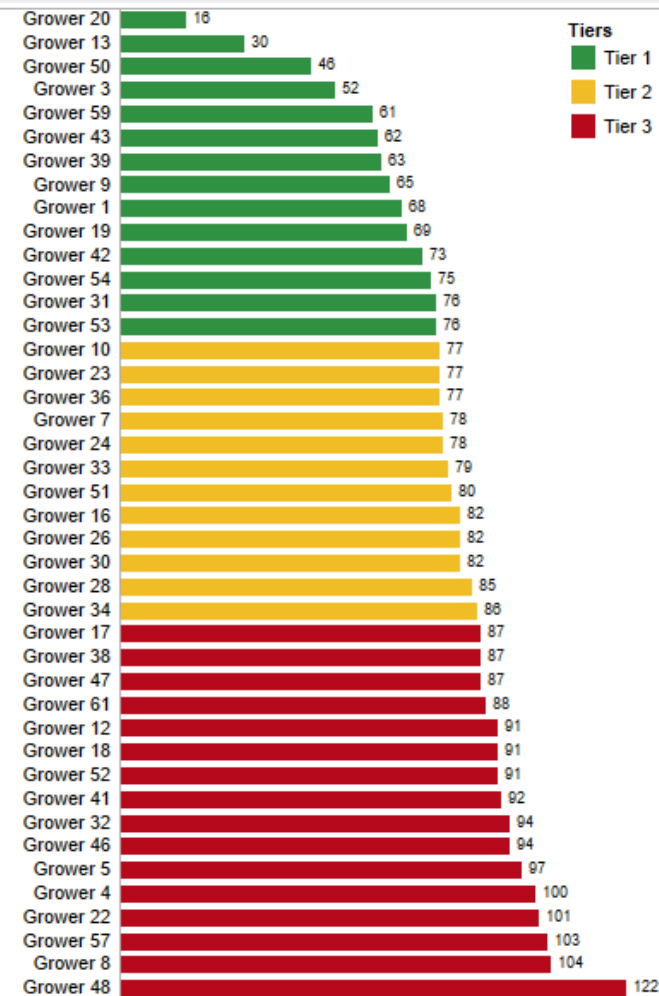
This visualization shows how the four data elements from the previous tab are stacked to create a combined rank. The rank of each element is displayed on the bars. See the first page of this report to view the your anonymous grower number, your reported data, and the corresponding rank.

Measure Names
Rank of Avg. Total N applied (lbs/ac)
Rank of Avg. Irrigation applied (ac-in)
Rank of Avg. Delivered Solids
Rank of Avg. Harvested yield/acre (tons)

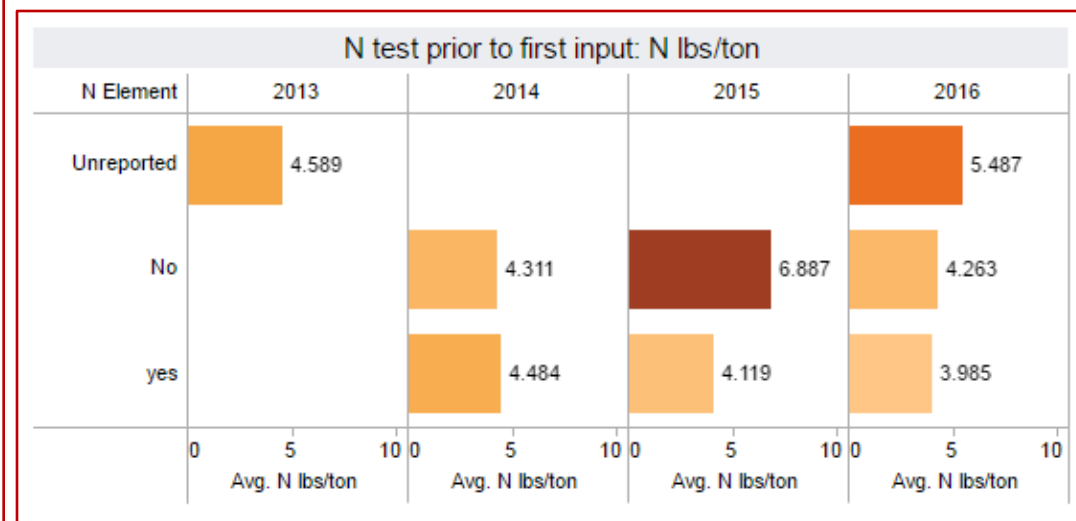
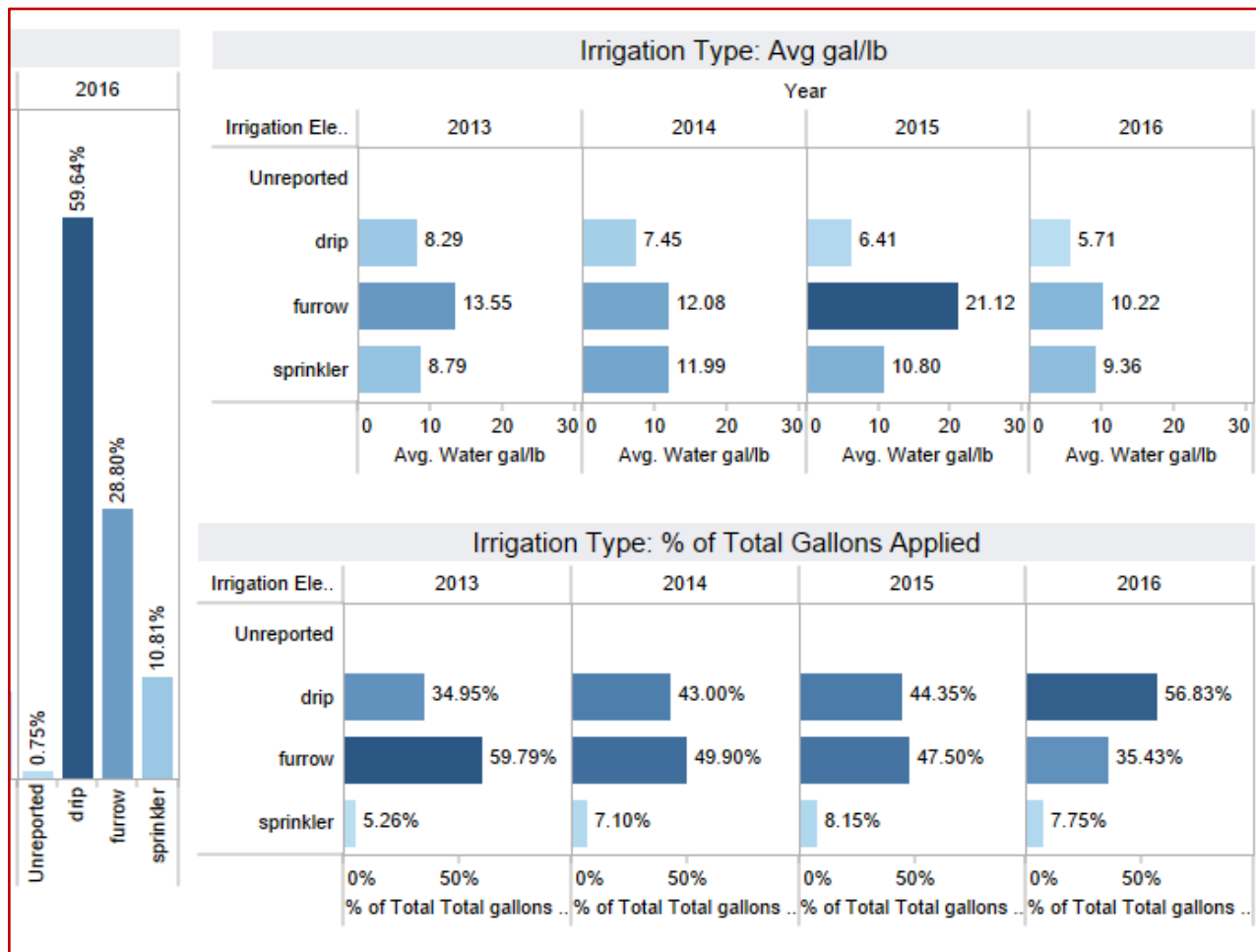
Stacked Score Elements



2016 Strategic Tiers



2016 Sustainability Highlights



Strategic Foresights Will Inform Where We Make Our Bets

01. Future Commerce



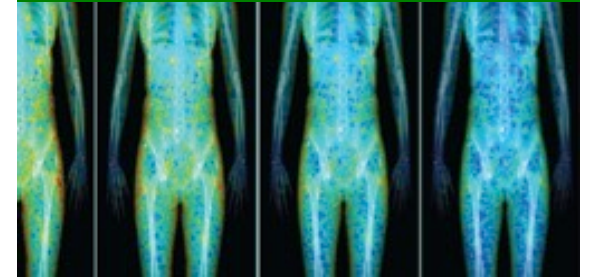
02. My.Moments



03. Limitless Local



04. Better.Me



05. (Bio)Diverse Sources



06. Connected Culinary Experiences



07. Clean AgTech



08. Purposeful Regeneration





Real food that matters for life's moments



Acre Venture Partners

BACK TO THE ROOTS

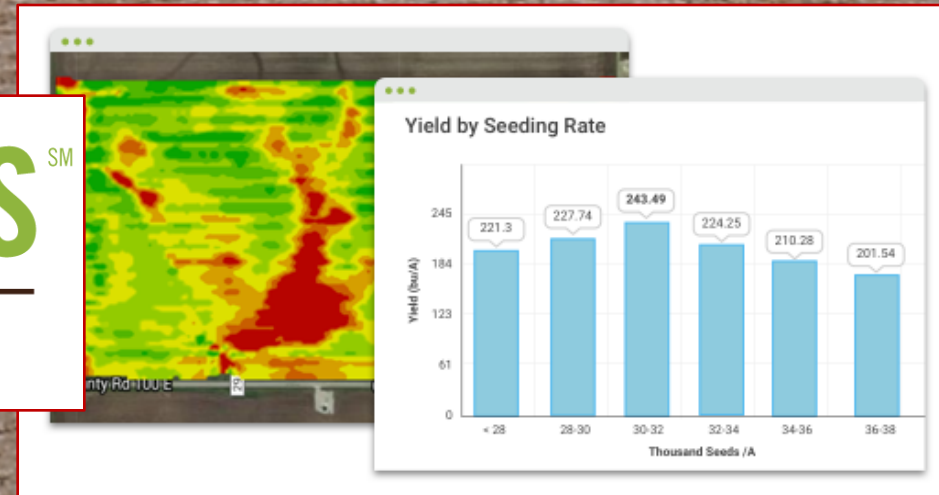


 **Spoiler Alert**

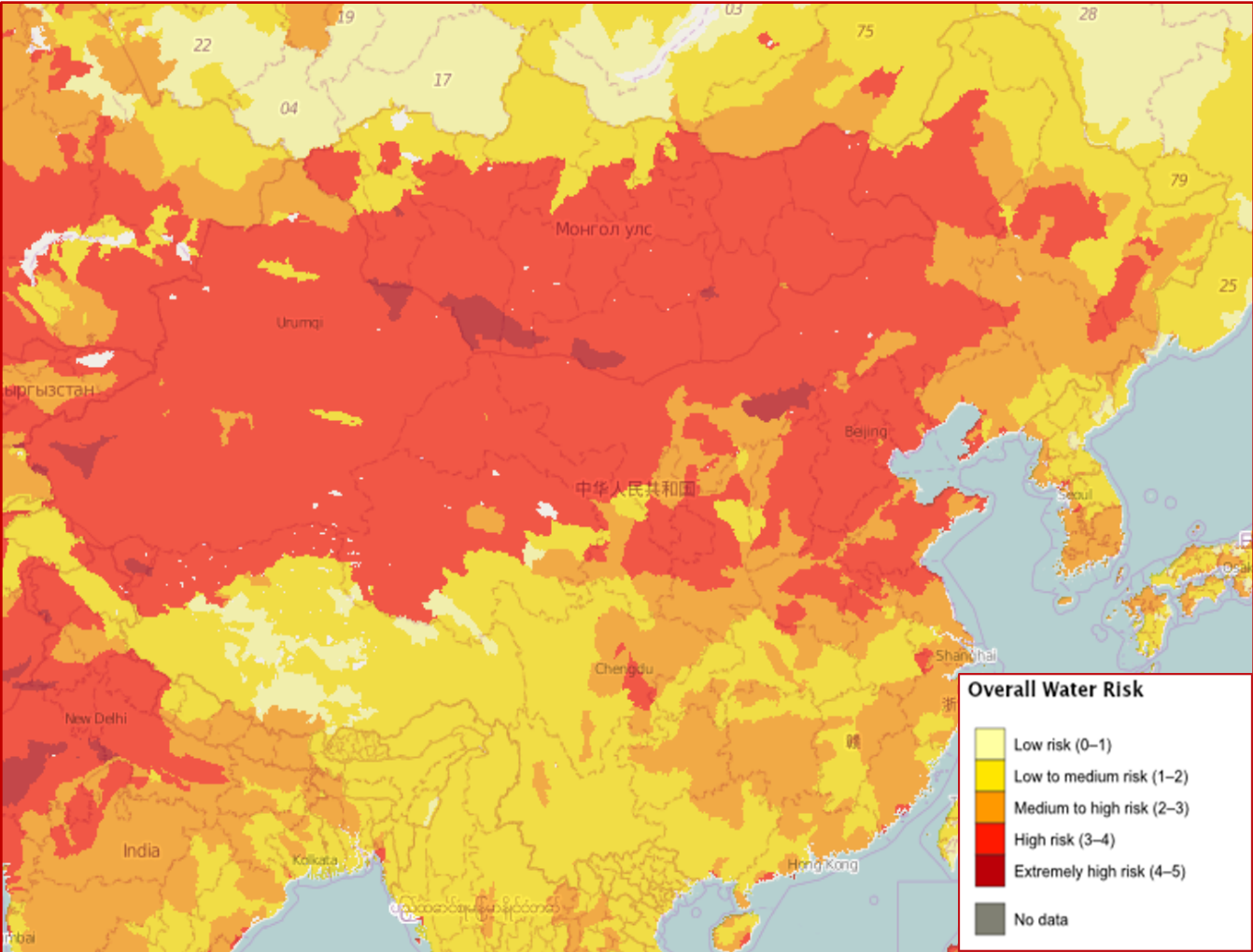
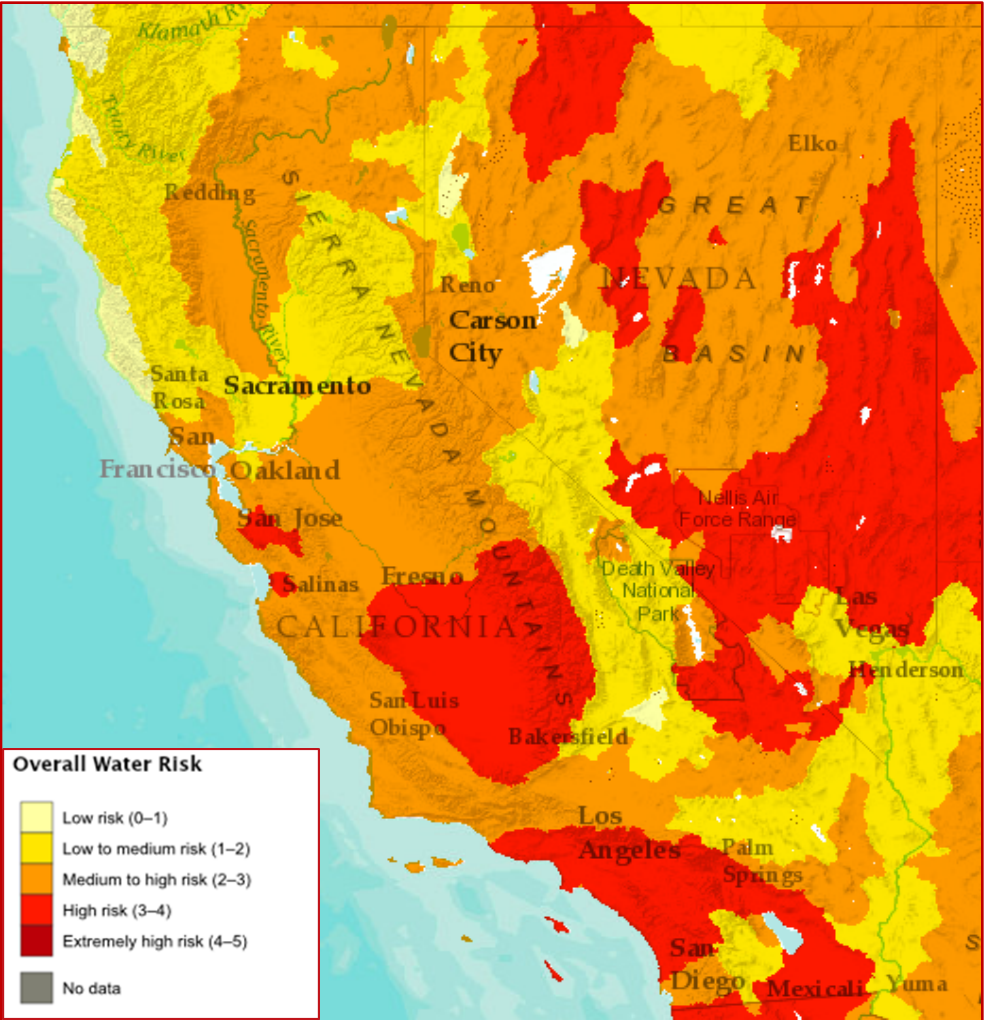


FARMERSSM

BUSINESS NETWORK



Risk Assessment



Source: 2015 World Resources Institute, Aqueduct tool, wri.org