



PACIFIC FOODS 2017 Nourishment Report





WELCOME



Even before I came to Pacific Foods from Campbell, it was obvious to me that when people at Pacific talk about nourishment, they mean it. It's what motivates us to bring our best selves to work every day.

It's at the heart of the food we make and how we make it, using clean simple ingredients sourced from trusted growers who are committed to sustainable farming.

It's reflected in our work with our community, partnering with the Oregon Food Bank to donate meals to food-insecure families. We believe that everyone has a right to eat right.

It shows in how we care for the environment, weaving sustainability into every business decision we make. As we see it, the only way to keep moving forward is to leave nothing behind.

It's expressed in how we treat our employees, providing a positive work environment where people feel valued for the work they do.

I feel proud to be a part of Pacific Food's legacy of nourishment and ensuring that it continues well into the future!

— Joe Folds, President

Sustainability is a journey that always keeps us moving forward, working continuously to make improvements and find new ways to do things better than before.

This past year was no exception. A few highlights included:

- Our Energy Team completed seven energy conservation projects totaling over one million kWhs in annual savings. That's like the savings of taking 160 cars off Oregon's highways!
- We gave back more than ever before through our Employee Volunteer Program and our partnerships with the Oregon Food Bank and local schools.
- More than 650,000 nourishing meals were donated in 2017 alone, adding to our decades of commitment to making nutritious foods accessible for all.
- We are on track to meet our zero waste goal by 2021.

Another big step forward in 2017 was joining the Campbell Soup Company to make our soups, broths and plant-based beverages more available than ever. We're already expanding the reach of our good works and sharing best practices along the way and look forward to the shared future ahead.

— James Louderman, Sustainability Manager



OUR CORE PURPOSE

We're out to **Nourish Every Body**. We make our foods from carefully sourced, simple ingredients to nourish families, our community and the environment so a brighter world can begin to take shape.



Our Food

The key to good nutrition is better ingredients



Our Community

Partnerships with food banks and schools enrich communities



Our Environment

Sustainable practices cultivate a healthier environment

OUR ROOTS

Nourishment is at the heart of everything we do.

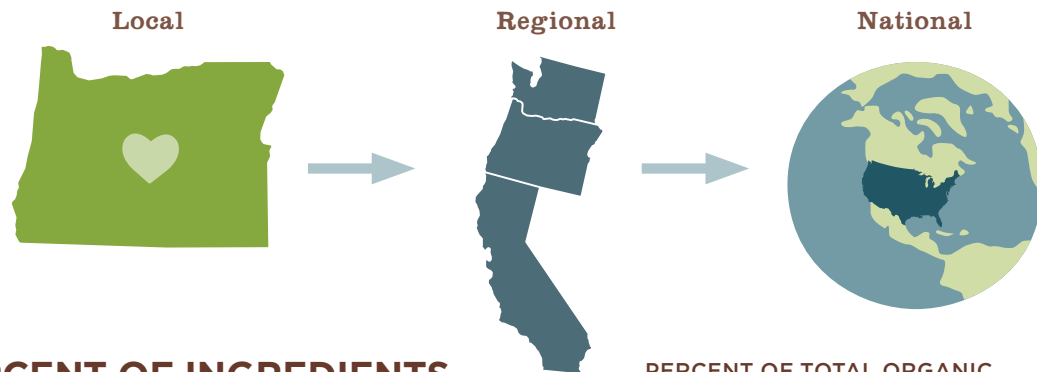
When Pacific Foods was founded back in 1987, we chose to do things differently from other food companies. We started with time-honored recipes using simple ingredients and we adopted sustainable practices to ensure kinder treatment of people, animals and the planet. But if there's one thing we value above all else, it's nourishment.



OUR FOOD

Better ingredients make better food.

INGREDIENT INTEGRITY



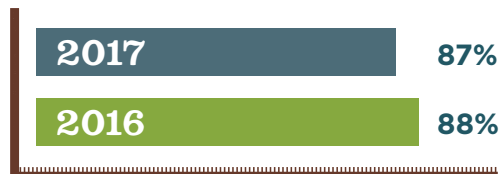
PERCENT OF INGREDIENTS PURCHASED BY REGION

The closer to home, the better, when it comes to sourcing ingredients. All our products are made with non-GMO ingredients, certified organic whenever possible.

2017: 44% of our total ingredient purchases were local; 75% of our total ingredient purchases were regional; 88% of our total ingredient purchases were national.

2016: 45% of our total ingredient purchases were local; 76% of our total ingredient purchases were regional; 87% of our total ingredient purchases were domestic.

PERCENT OF TOTAL ORGANIC INGREDIENTS PURCHASED



Total NON-GMO ingredients purchased
100%

HIGHLIGHT

FAIR TRADE CASHEWS: SUPPORTING WHAT'S FAIR

When we decided to make our first cashew plant-based beverage we searched high and low for cashew suppliers that meet rigorous social, environmental and economic standards to guarantee safe, healthy working conditions and the highest quality nuts.



Pacific's Cashew Plant-Based Beverages are made with Fair Trade Certified organic cashews. Creamy, mild and refreshing, these dairy alternatives were made using

responsibly sourced ingredients. They were harvested without exposing workers to the risk of injury from the acidic properties of the plant's shells. Like our fans, we're careful about what we buy and the impact it has on personal and planetary health, starting with where we choose to source our ingredients from. If it doesn't map back to who we are, we don't use it. Period.

OUR COMMUNITY

Hunger ends where community begins.

The more we grow, the more we give. When we first started sharing weekend food boxes with one neighborhood school in 2014, we couldn't have predicted the appreciation for the program or how it would grow. In 2017, between our long-standing relationship with the Oregon Food Bank and now more than a dozen local schools, we donated more nutritious meals than ever before.

INTENTIONAL FOOD DONATIONS

654,747 nourishing meals were donated in 2017 (up from 472,784 in 2016), including our custom made vegetable soup for the Oregon Food Bank. Every batch of soup is made from ingredients donated to the Food Bank that they would normally struggle to utilize before their best use date. It helps to prevent waste and provides food to those who need it. This year we increased production from 25,000 cases to 37,000 cases annually.



NOURISH EVERY BODY (NEB) PROGRAM

3-Day Meal Boxes made for local kids and families in need.



OREGON FOOD BANK (OFB) PRODUCT

Cases of food produced and donated using ingredients from the Oregon Food Bank.



ADDITIONAL OREGON FOOD BANK DONATIONS

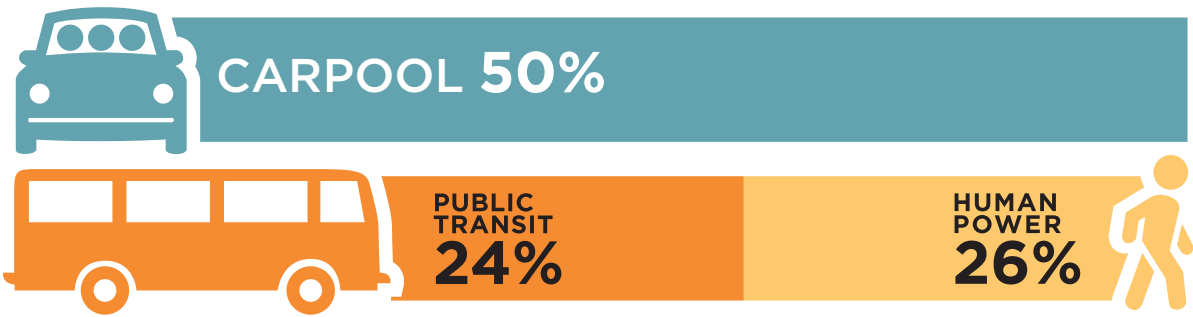
We don't let any food go to waste if we can help it. Packaged product that we make that doesn't meet our standards of quality but is still wholesome to eat is donated to the Oregon Food Bank.

EMPLOYEE ENGAGEMENT

We know that running a sustainable business starts with our employees. That's why we offer several opportunities for them to engage with our sustainability mission.

Sustainable Commuter Program

Our Sustainable Commuter Program provides incentives for employees that use alternative transportation (biking, walking, carpooling, public transit, etc.) to get to and from work. In 2017, roughly 14% of our workforce participated in the Sustainable Commuter Program.



Employee Volunteer Program

Our Employee Volunteer Program gives our team four hours of paid volunteer time each quarter to help the Oregon Food Bank or build meal boxes for our Nourish Every Body School Feeding Program.

**MORE THAN 25% OF
OUR WORKFORCE
VOLUNTEERED A
TOTAL OF 369 HOURS
OF THEIR TIME TO
BUILD MEAL BOXES.**

HIGHLIGHT

DISASTER RELIEF: PUERTO RICO & HURRICANE IRMA, TEXAS & HURRICANE HARVEY

While we can't undo the damage from extreme weather events, we can make one less thing worrisome, dinner. Following the aftermaths of both Hurricane Irma and Hurricane Harvey, we worked with Feeding America and our



distribution partners, CH Robinson and Waterfall Gourmet, to coordinate disaster relief efforts for the victims. Thanks to the help of our partners we coordinated a shared effort to send trucks filled with cases of Pacific Foods product to support the efforts of Feeding America.

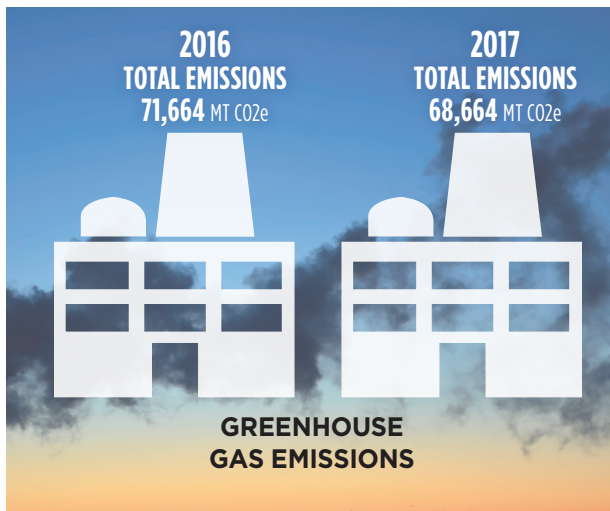
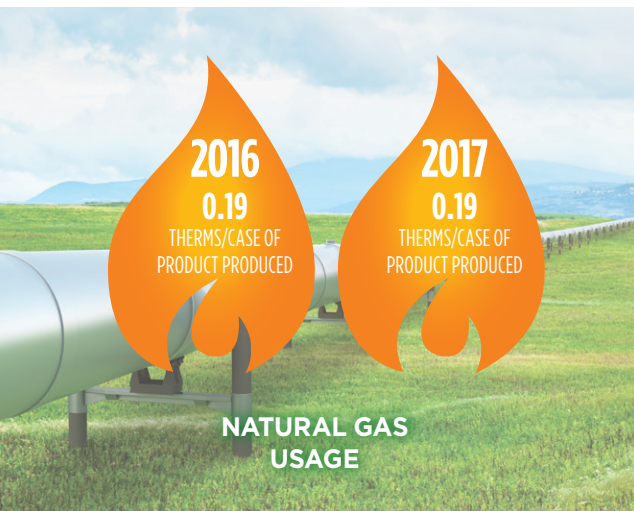
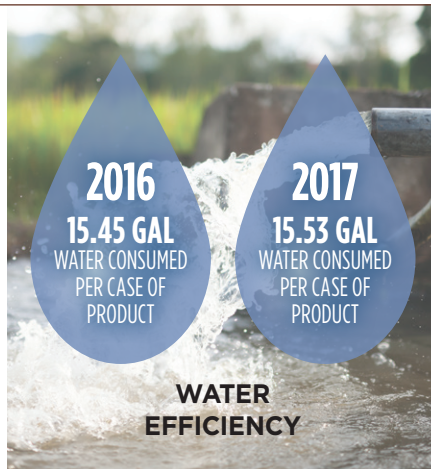
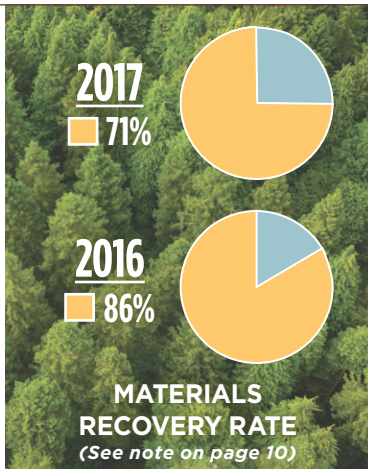
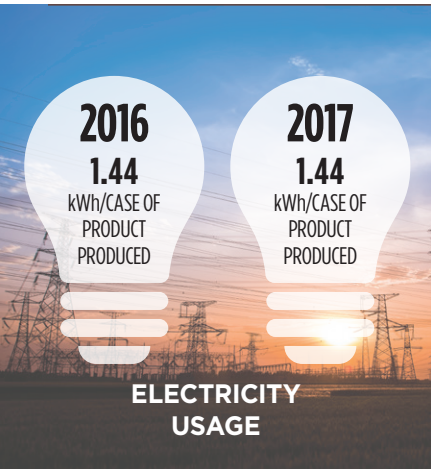
OUR COMMUNITY PARTNERS

Outside of our company commitments to organizations like the Oregon Food Bank, our employees also guide our philanthropic efforts by requesting donations to local, specialized organizations that matter to them in their community.



OUR ENVIRONMENT

The smallest footprint leaves the biggest impact.



HIGHLIGHT

ENERGY TEAM UPDATE:

MOVING TO SENSOR-CONTROLLED EXTERIOR LED LIGHTING WILL SAVE UP TO \$117K PER YEAR

In spring of 2017, we began work on replacing our exterior lights with modern LEDs outfitted with sensor controls to dim at night and brighten when there is nearby movement.



Old Light

Thanks to help from the Energy Trust of Oregon and Pacific Energy Concepts for completing the project, we saved over 200,000 kWhs per year — equal to the kWhs saved by eliminating 30 cars annual commuting; 45 tons



New LED Lighting

of annual landfill waste; or 20 homes' annual electricity consumption. Additionally, this makes our exterior workspaces brighter, safer, and less maintenance intensive.

LOOKING FORWARD

The best of big and small.

Progress rarely follows a straight line.

Sometimes we do not meet the lofty goals we set for ourselves, and that is reflected in some of our numbers this year. Last year saw huge changes due to Campbell's acquisition of Pacific and fortunately, Campbell shares



the goals we've established for progress at Pacific, providing an unprecedented opportunity to accelerate our mission in a way that we could not have achieved before.

One example is our path to zero waste. The numbers show a

hiccup in our materials recovery rate from 2016 to 2017.* However, with resources from Campbell we were recently able to purchase state-of-the-art recycling equipment that will push our materials recovery program to the next level, significantly reducing our waste water levels and leap frogging us ahead toward our zero waste goal.

We look forward to continuing to benefit from what's known here as "the best of big and small". This is the ability for Pacific to maintain all of our ideals and continue being the brand we've built over the past 30 years, while leveraging the support Campbell offers. This support will both accelerate progress in the areas laid out in this report, as well as expand the reach of our nourishing foods to more people than ever before.

**Note: 2018 Materials recovery rate is expected to meet or exceed 2016 levels.*







Nourish Every Body™

Find us on social media!

