# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, D.C. 20549**
# Form 10-Q

(Mark One)

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
**For the Quarterly Period Ended April 27, 2025**

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
**For the transition period from _______________ to __________________**

**Commission File Number: 1-3822**

# THE CAMPBELL'S COMPANY
(Exact name of registrant as specified in its charter)

| | |
|---|---|
| **New Jersey** | **21-0419870** |
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |

**1 Campbell Place**
**Camden, New Jersey 08103-1799**
(Address of principal executive offices) (Zip Code)

**(856) 342-4800**
(Registrant's telephone number, including area code)

**Securities registered pursuant to Section 12(b) of the Act:**

| **Title of each class** | **Trading Symbol(s)** | **Name of each exchange on which registered** |
|---|---|---|
| Capital Stock, par value $.0375 | CPB | The Nasdaq Stock Market LLC |

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☑ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☑ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|---|---|---|---|
| Large accelerated filer | ☑ | Accelerated filer | ☐ |
| Non-accelerated filer | ☐ | Smaller reporting company | ☐ |
| Emerging growth company | ☐ | | |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☑ No

There were 298,129,972 shares of capital stock outstanding as of May 27, 2025.

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## PART I - FINANCIAL INFORMATION

### Item 1. *Financial Statements*

**THE CAMPBELL'S COMPANY**
**Consolidated Statements of Earnings**
**(unaudited)**
**(millions, except per share amounts)**

| | Three Months Ended | | Nine Months Ended | |
|---|---|---|---|---|
| | **April 27, 2025** | April 28, 2024 | **April 27, 2025** | April 28, 2024 |
| **Net sales** | **$ 2,475** | $ 2,369 | **$ 7,932** | $ 7,343 |
| Costs and expenses | | | | |
| Cost of products sold | **1,747** | 1,637 | **5,518** | 5,047 |
| Marketing and selling expenses | **216** | 206 | **722** | 645 |
| Administrative expenses | **162** | 208 | **502** | 555 |
| Research and development expenses | **23** | 27 | **74** | 76 |
| Other expenses / (income) | **160** | 30 | **244** | 80 |
| Restructuring charges | **6** | 13 | **17** | 17 |
| Total costs and expenses | **2,314** | 2,121 | **7,077** | 6,420 |
| **Earnings before interest and taxes** | **161** | 248 | **855** | 923 |
| Interest expense | **85** | 70 | **260** | 165 |
| Interest income | **5** | 4 | **17** | 5 |
| Earnings before taxes | **81** | 182 | **612** | 763 |
| Taxes on earnings | **15** | 49 | **155** | 193 |
| **Net earnings** | **66** | 133 | **457** | 570 |
| Less: Net earnings (loss) attributable to noncontrolling interests | **—** | — | **—** | — |
| **Net earnings attributable to The Campbell's Company** | **$ 66** | $ 133 | **$ 457** | $ 570 |
| **Per Share — Basic** | | | | |
| **Net earnings attributable to The Campbell's Company** | **$ .22** | $ .45 | **$ 1.53** | $ 1.91 |
| Weighted average shares outstanding — basic | **298** | 298 | **298** | 298 |
| **Per Share — Assuming Dilution** | | | | |
| **Net earnings attributable to The Campbell's Company** | **$ .22** | $ .44 | **$ 1.52** | $ 1.91 |
| Weighted average shares outstanding — assuming dilution | **299** | 300 | **300** | 299 |

See accompanying Notes to Consolidated Financial Statements.

## THE CAMPBELL'S COMPANY
## Consolidated Statements of Comprehensive Income
**(unaudited)**
**(millions)**

| | Three Months Ended | | | | | |
|---|---|---|---|---|---|---|
| | April 27, 2025 | | | April 28, 2024 | | |
| | Pre-tax amount | Tax benefit (expense) | After-tax amount | Pre-tax amount | Tax benefit (expense) | After-tax amount |
| **Net earnings (loss)** | | | **$ 66** | | | $ 133 |
| **Other comprehensive income (loss):** | | | | | | |
| **Foreign currency translation:** | | | | | | |
| Foreign currency translation adjustments | **$ 6** | **$ —** | **6** | $ (3) | $ — | (3) |
| **Cash-flow hedges:** | | | | | | |
| Unrealized gains (losses) arising during the period | **(5)** | **—** | **(5)** | 13 | (2) | 11 |
| Reclassification adjustment for losses (gains) included in net earnings | **—** | **—** | **—** | — | — | — |
| **Pension and other postretirement benefits:** | | | | | | |
| Prior service credit arising during the period | **—** | **—** | **—** | — | — | — |
| Reclassification of prior service credit included in net earnings | **(1)** | **1** | **—** | — | — | — |
| **Other comprehensive income (loss)** | **$ —** | **$ 1** | **1** | $ 10 | $ (2) | 8 |
| **Total comprehensive income (loss)** | | | **$ 67** | | | $ 141 |
| Total comprehensive income (loss) attributable to noncontrolling interests | | | **—** | | | — |
| **Total comprehensive income (loss) attributable to The Campbell's Company** | | | **$ 67** | | | $ 141 |

| | Nine Months Ended | | | | | |
|---|---|---|---|---|---|---|
| | April 27, 2025 | | | April 28, 2024 | | |
| | Pre-tax amount | Tax benefit (expense) | After-tax amount | Pre-tax amount | Tax benefit (expense) | After-tax amount |
| **Net earnings (loss)** | | | **$ 457** | | | $ 570 |
| **Other comprehensive income (loss):** | | | | | | |
| **Foreign currency translation:** | | | | | | |
| Foreign currency translation adjustments | **$ (1)** | **$ —** | **(1)** | $ (6) | $ — | (6) |
| **Cash-flow hedges:** | | | | | | |
| Unrealized gains (losses) arising during the period | **(2)** | **—** | **(2)** | (7) | 2 | (5) |
| Reclassification adjustment for losses (gains) included in net earnings | **—** | **—** | **—** | (1) | — | (1) |
| **Pension and other postretirement benefits:** | | | | | | |
| Prior service credit arising during the period | **7** | **(2)** | **5** | — | — | — |
| Reclassification of prior service credit included in net earnings | **(1)** | **1** | **—** | — | — | — |
| **Other comprehensive income (loss)** | **$ 3** | **$ (1)** | **2** | $ (14) | $ 2 | (12) |
| **Total comprehensive income (loss)** | | | **$ 459** | | | $ 558 |
| Total comprehensive income (loss) attributable to noncontrolling interests | | | **—** | | | — |
| **Total comprehensive income (loss) attributable to The Campbell's Company** | | | **$ 459** | | | $ 558 |

See accompanying Notes to Consolidated Financial Statements.

**THE CAMPBELL'S COMPANY**
**Consolidated Balance Sheets**
**(unaudited)**
**(millions, except per share amounts)**

| | April 27, 2025 | July 28, 2024 |
|---|---|---|
| **Current assets** | | |
| Cash and cash equivalents | **$ 143** | $ 108 |
| Accounts receivable, net | **668** | 630 |
| Inventories | **1,294** | 1,386 |
| Other current assets | **121** | 66 |
| **Total current assets** | **2,226** | 2,190 |
| Plant assets, net of depreciation | **2,665** | 2,698 |
| Goodwill | **4,991** | 5,077 |
| Other intangible assets, net of amortization | **4,366** | 4,716 |
| Other assets | **580** | 554 |
| **Total assets** | **$ 14,828** | $ 15,235 |
| **Current liabilities** | | |
| Short-term borrowings | **$ 799** | $ 1,423 |
| Accounts payable | **1,297** | 1,311 |
| Accrued liabilities | **620** | 720 |
| Dividends payable | **119** | 115 |
| Accrued income taxes | **14** | 7 |
| **Total current liabilities** | **2,849** | 3,576 |
| Long-term debt | **6,097** | 5,761 |
| Deferred taxes | **1,349** | 1,426 |
| Other liabilities | **661** | 676 |
| **Total liabilities** | **10,956** | 11,439 |
| **Commitments and contingencies** | | |
| **The Campbell's Company shareholders' equity** | | |
| Preferred stock; authorized 40 shares; none issued | **—** | — |
| Capital stock, $.0375 par value; authorized 560 shares; issued 323 shares | **12** | 12 |
| Additional paid-in capital | **415** | 437 |
| Earnings retained in the business | **4,665** | 4,569 |
| Capital stock in treasury, at cost | **(1,207)** | (1,207) |
| Accumulated other comprehensive income (loss) | **(15)** | (17) |
| **Total The Campbell's Company shareholders' equity** | **3,870** | 3,794 |
| Noncontrolling interests | **2** | 2 |
| **Total equity** | **3,872** | 3,796 |
| **Total liabilities and equity** | **$ 14,828** | $ 15,235 |

See accompanying Notes to Consolidated Financial Statements.

**THE CAMPBELL'S COMPANY**
**Consolidated Statements of Cash Flows**
**(unaudited)**
**(millions)**

| | Nine Months Ended | |
|---|---|---|
| | April 27, 2025 | April 28, 2024 |
| **Cash flows from operating activities:** | | |
| Net earnings | $ 457 | $ 570 |
| Adjustments to reconcile net earnings to operating cash flow | | |
| Impairment charges | 176 | — |
| Restructuring charges | 17 | 17 |
| Stock-based compensation | 52 | 80 |
| Amortization of inventory fair value adjustment from acquisition | — | 17 |
| Pension and postretirement benefit expense | 2 | 5 |
| Depreciation and amortization | 328 | 298 |
| Deferred income taxes | (58) | 13 |
| Loss on sales of businesses | 25 | — |
| Other | 92 | 103 |
| Changes in working capital, net of acquisition and divestitures | | |
| Accounts receivable | (57) | (33) |
| Inventories | 49 | 102 |
| Other current assets | (17) | (28) |
| Accounts payable and accrued liabilities | (150) | (180) |
| Other | (44) | (67) |
| **Net cash provided by operating activities** | 872 | 897 |
| **Cash flows from investing activities:** | | |
| Purchases of plant assets | (296) | (376) |
| Purchases of route businesses | (130) | (28) |
| Sales of route businesses | 96 | 33 |
| Business acquired, net of cash acquired | — | (2,617) |
| Sales of businesses, net of cash divested | 258 | — |
| Other | (8) | 1 |
| **Net cash used in investing activities** | (80) | (2,987) |
| **Cash flows from financing activities:** | | |
| Short-term borrowings, including commercial paper and delayed draw term loan | 1,189 | 4,616 |
| Short-term repayments, including commercial paper and delayed draw term loan | (1,093) | (4,556) |
| Long-term borrowings | 1,144 | 2,496 |
| Long-term repayments | (1,550) | (100) |
| Dividends paid | (343) | (334) |
| Treasury stock purchases | (60) | (46) |
| Payments related to tax withholding for stock-based compensation | (30) | (46) |
| Payments of debt issuance costs | (12) | (22) |
| **Net cash provided by (used in) financing activities** | (755) | 2,008 |
| **Effect of exchange rate changes on cash** | (2) | — |
| **Net change in cash and cash equivalents** | 35 | (82) |
| **Cash and cash equivalents — beginning of period** | 108 | 189 |
| **Cash and cash equivalents — end of period** | $ 143 | $ 107 |

See accompanying Notes to Consolidated Financial Statements.

## THE CAMPBELL'S COMPANY
## Consolidated Statements of Equity
### (unaudited)
### (millions, except per share amounts)

| | The Campbell's Company Shareholders' Equity | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Capital Stock | | | | | | | | |
| | Issued | | In Treasury | | | | | | |
| | Shares | Amount | Shares | Amount | Additional Paid-in Capital | Earnings Retained in the Business | Accumulated Other Comprehensive Income (Loss) | Noncontrolling Interests | Total Equity |
| Balance at January 28, 2024 | 323 | $ 12 | (25) | $ (1,212) | $ 407 | $ 4,665 | $ (23) | $ 2 | $ 3,851 |
| Net earnings (loss) | | | | | | 133 | | — | 133 |
| Other comprehensive income (loss) | | | | | | | 8 | — | 8 |
| Dividends ($.37 per share) | | | | | | (113) | | | (113) |
| Replacement share-based awards issued in connection with Sovos Brands, Inc. acquisition[1] | | | | | 42 | | | | 42 |
| Treasury stock purchased | | | — | (17) | | | | | (17) |
| Treasury stock issued under stock-based compensation plans | | | — | 39 | (28) | — | | | 11 |
| Balance at April 28, 2024 | 323 | $ 12 | (25) | $ (1,190) | $ 421 | $ 4,685 | $ (15) | $ 2 | $ 3,915 |
| Balance at July 30, 2023 | 323 | $ 12 | (25) | $ (1,219) | $ 420 | $ 4,451 | $ (3) | $ 2 | $ 3,663 |
| Net earnings (loss) | | | | | | 570 | | — | 570 |
| Other comprehensive income (loss) | | | | | | | (12) | — | (12) |
| Dividends ($1.11 per share) | | | | | | (336) | | | (336) |
| Replacement share-based awards issued in connection with Sovos Brands, Inc. acquisition[1] | | | | | 42 | | | | 42 |
| Treasury stock purchased | | | (1) | (46) | | | | | (46) |
| Treasury stock issued under stock-based compensation plans | | | 1 | 75 | (41) | — | | | 34 |
| Balance at April 28, 2024 | 323 | $ 12 | (25) | $ (1,190) | $ 421 | $ 4,685 | $ (15) | $ 2 | $ 3,915 |
| Balance at January 26, 2025 | 323 | $ 12 | (25) | $ (1,208) | $ 406 | $ 4,716 | $ (16) | $ 2 | $ 3,912 |
| **Net earnings (loss)** | | | | | | **66** | | **—** | **66** |
| **Other comprehensive income (loss)** | | | | | | | **1** | **—** | **1** |
| **Dividends ($.39 per share)** | | | | | | **(117)** | | | **(117)** |
| **Treasury stock purchased** | | | **—** | **(4)** | | | | | **(4)** |
| **Treasury stock issued under stock-based compensation plans** | | | **—** | **5** | **9** | **—** | | | **14** |
| **Balance at April 27, 2025** | **323** | **$ 12** | **(25)** | **$ (1,207)** | **$ 415** | **$ 4,665** | **$ (15)** | **$ 2** | **$ 3,872** |
| Balance at July 28, 2024 | 323 | $ 12 | (25) | $ (1,207) | $ 437 | $ 4,569 | $ (17) | $ 2 | $ 3,796 |
| **Net earnings (loss)** | | | | | | **457** | | **—** | **457** |
| **Other comprehensive income (loss)** | | | | | | | **2** | **—** | **2** |
| **Dividends ($1.15 per share)** | | | | | | **(345)** | | | **(345)** |
| **Treasury stock purchased** | | | **(1)** | **(60)** | | | | | **(60)** |
| **Treasury stock issued under stock-based compensation plans** | | | **1** | **60** | **(22)** | **(16)** | | | **22** |
| **Balance at April 27, 2025** | **323** | **$ 12** | **(25)** | **$ (1,207)** | **$ 415** | **$ 4,665** | **$ (15)** | **$ 2** | **$ 3,872** |

[1] See Note 3 for additional information.

See accompanying Notes to Consolidated Financial Statements.

## Notes to Consolidated Financial Statements
**(unaudited)**

### 1. Basis of Presentation and Significant Accounting Policies

In this Form 10-Q, unless otherwise stated, the terms "we," "us," "our" and the "company" refer to The Campbell's Company and its consolidated subsidiaries.

The financial statements reflect all adjustments which are, in our opinion, necessary for a fair statement of the results of operations, financial position and cash flows for the indicated periods. The accounting policies we used in preparing these financial statements are substantially consistent with those we applied in our Annual Report on Form 10-K for the year ended July 28, 2024.

The results for the period are not necessarily indicative of the results to be expected for other interim periods or the full year. Our fiscal year ends on the Sunday nearest July 31, which is August 3, 2025. There will be 53 weeks in 2025. There were 52 weeks in 2024.

### 2. Recent Accounting Pronouncements

In September 2022, the Financial Accounting Standards Board (FASB) issued guidance that enhances the transparency of supplier finance programs by requiring disclosure of the key terms of these programs and a related rollforward of these obligations to understand the effect on working capital, liquidity and cash flows. The guidance is effective for fiscal years beginning after December 15, 2022, including interim periods in those fiscal years, except for the rollforward requirement, which is effective for fiscal years beginning after December 15, 2023. We adopted the guidance in the fourth quarter of 2023, with the exception of the annual rollforward requirement, which we will adopt in our 2025 annual reporting. The adoption did not have a material impact on our consolidated financial statements. See Note 18 for additional information.

In November 2023, the FASB issued guidance to improve reportable segment disclosures, primarily through enhanced disclosures about significant segment expenses. In addition, the guidance enhances interim disclosure requirements, clarifies circumstances in which an entity can disclose multiple segment measures of profit or loss, provides new segment disclosure requirements for entities with a single reportable segment and contains other disclosure requirements. The purpose of the guidance is to enable investors to better understand an entity’s overall performance and assess potential future cash flows. The guidance is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. We are currently evaluating the impact that the new guidance will have on our consolidated financial statements. We will adopt the new guidance beginning with our 2025 annual reporting.

In December 2023, the FASB issued guidance to improve income tax disclosures by requiring disaggregated information about a reporting entity’s effective tax rate reconciliation as well as information on income taxes paid. The guidance is effective for annual periods beginning after December 15, 2024. The guidance should be applied on a prospective basis with the option to apply the standard retrospectively. Early adoption is permitted. We are currently evaluating the impact that the new guidance will have on our consolidated financial statements.

In November 2024, the FASB issued guidance to improve disclosures by requiring additional details about specific types of expenses (purchases of inventory, employee compensation, depreciation and intangible asset amortization) included in certain expense captions. The guidance requires disclosure of the total amount of selling expenses and, on an annual basis, disclosure of the definition of selling expenses. The guidance is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. The guidance should be applied on a prospective basis with the option to apply the standard retrospectively. We are currently evaluating the impact that the new guidance will have on our consolidated financial statements.

## 3. Acquisition

On August 7, 2023, we entered into a merger agreement to acquire Sovos Brands, Inc. (Sovos Brands) for $23.00 per share. On March 12, 2024, we completed the acquisition. Sovos Brands' portfolio included a variety of pasta sauces, dry pasta, soups, frozen entrées, frozen pizza and yogurts sold in North America under the brand names *Rao's, Michael Angelo's* and *noosa*. See Note 4 for additional information on the noosa yoghurt business, which was sold on February 24, 2025. Total purchase consideration was $2.899 billion, which was determined as follows:

| (Millions) | | |
|---|---|---|
| Cash consideration paid to Sovos Brands shareholders[1] | $ | 2,307 |
| Cash paid for share-based awards[2] | | 32 |
| **Cash consideration paid directly to shareholders** | **$** | **2,339** |
| Cash paid for transaction costs of Sovos Brands | | 32 |
| Repayment of Sovos Brands existing indebtedness and accrued interest | | 486 |
| **Total cash consideration** | **$** | **2,857** |
| Fair value of replacement share-based awards[3] | | 42 |
| **Total consideration** | **$** | **2,899** |

[1] Consideration paid to Sovos Brands shareholders which reflects $23.00 per share.

[2] Represents cash paid to equity award holders of Sovos Brands restricted stock and restricted stock unit awards attributable to pre-combination service. This excludes $3 million of cash paid that was recognized as expense.

[3] We issued replacement equity awards in settlement of certain Sovos Brands equity awards that did not become vested in connection with the acquisition. The portion of fair value of the replacement awards attributable to pre-combination service was $42 million and is included in the purchase consideration. We recognized $26 million of expense related to accelerated vesting of certain replacement awards in the third quarter of 2024.

The cash portion of the acquisition was funded through a Delayed Draw Term Loan Credit Agreement (the 2024 DDTL Credit Agreement) of $2 billion and cash on hand.

The table below presents the fair value that was allocated to acquired assets and assumed liabilities:

| (Millions) | Estimated Fair Value | |
|---|---|---|
| Cash | $ | 240 |
| Accounts receivable | | 96 |
| Inventories | | 130 |
| Other current assets | | 5 |
| Plant assets | | 100 |
| Other intangible assets | | 1,776 |
| Other assets | | 16 |
| **Total assets acquired** | **$** | **2,363** |
| Accounts payable | $ | 96 |
| Accrued liabilities | | 56 |
| Accrued income taxes | | 1 |
| Long-term debt | | 9 |
| Deferred taxes | | 407 |
| Other liabilities | | 11 |
| **Total liabilities assumed** | **$** | **580** |
| Net assets acquired | $ | 1,783 |
| Goodwill | | 1,116 |
| **Total consideration** | **$** | **2,899** |

The excess of the purchase price over the estimated fair values of identifiable net assets was recorded as $1.116 billion of goodwill. The goodwill is not deductible for tax purposes. The goodwill was primarily attributable to future growth opportunities, anticipated synergies, and intangible assets that did not qualify for separate recognition. The goodwill is included in the Meals & Beverages segment.

The identifiable intangible assets of Sovos Brands consisted of:

| (Millions) | Type | Life in Years | | | Value | |
|---|---|---|---|---|---|---|
| Trademarks | Non-amortizable | | Indefinite | | $ | 1,470 |
| Trademarks[1] | Amortizable | | 20 | | | 76 |
| Customer relationships[2] | Amortizable | 20 | to | 30 | | 230 |
| Total identifiable intangible assets | | | | | $ | 1,776 |

(1) Includes $74 million related to the noosa yoghurt business.
(2) Includes $18 million related to the noosa yoghurt business.

We incurred transaction costs and integration costs, including costs to achieve synergies, of $95 million and $114 million associated with the Sovos Brands acquisition in the three- and nine-month periods ended April 28, 2024. Approximately $16 million in the three-month period and $35 million in the nine-month period represented transaction costs, including outside advisory costs, recorded in Other expenses / (income). In the three-month period ended April 28, 2024, we recognized $2 million in Interest expense related to financing fees associated with the 2024 DDTL Credit Agreement. Integration costs included expenses associated with accelerated vesting of replacement awards, severance and retention bonuses, amortization of the acquisition date fair value adjustment to inventories and other costs. Integration costs recognized in the three-month period ended April 28, 2024 included the following:

- $18 million in Cost of products sold, $17 million of which related to the amortization of the acquisition date fair value adjustment to inventories;
- $2 million of Marketing and selling expenses;
- $39 million of Administrative expenses;
- $2 million of Research and development expenses; and
- $16 million of Restructuring charges to achieve synergies. See Note 8 for additional information.

For the period March 12, 2024 through April 28, 2024, the Sovos Brands acquisition contributed $166 million to Net sales and a loss of $75 million to Net earnings, including the effect of transaction and integration costs and interest expense on the debt to finance the acquisition.

The following unaudited summary information is presented on a consolidated pro forma basis as if the Sovos Brands acquisition had occurred on August 1, 2022:

| | April 28, 2024 | | | |
|---|---|---|---|---|
| (Millions) | Three Months Ended | | Nine Months Ended | |
| Net sales | $ | 2,510 | $ | 8,061 |
| Net earnings attributable to The Campbell's Company | $ | 184 | $ | 595 |

The pro forma results are not necessarily indicative of the combined results had the Sovos Brands acquisition been completed on August 1, 2022, nor are they indicative of future combined results. The pro forma amounts include adjustments to interest expense for financing the acquisition, to amortization and depreciation expense based on the estimated fair value and useful lives of intangible assets and plant assets, and related tax effects. The pro forma results include adjustments to reflect amortization of the acquisition date fair value adjustment to inventories, expenses related to accelerated vesting of replacement awards and severance and retention bonuses as of August 1, 2022.

**4. Divestitures**

On August 26, 2024, we sold our Pop Secret popcorn business for $70 million. We recognized a pre-tax loss on the sale of $25 million, or $19 million after tax. In connection with the sale, we are providing certain transition services to support the business.

The business had net sales of $9 million for the nine-month period ended April 27, 2025, and $30 million and $91 million for the three- and nine-month periods ended April 28, 2024, respectively. Earnings were not material in the periods. The results of the business were reflected within the Snacks reportable segment.

We entered into an agreement to sell our noosa yoghurt business in November 2024. The noosa yoghurt business was purchased as part of the Sovos Brands acquisition. In the second quarter of 2025, we recorded $15 million of tax expense related to the sale of the business. We completed the sale on February 24, 2025, for $188 million, subject to certain customary purchase price adjustments. The after-tax loss recorded on the sale was $15 million, which is subject to the finalization of the purchase price adjustments. In connection with the sale, we are providing certain transition services to support the business.

Net sales of the business were $16 million and $99 million for the three- and nine-month periods ended April 27, 2025, respectively. Net sales of the business were $21 million and $68 million from March 12, 2024 through April 28, 2024 and July 28, 2024, respectively. Earnings were not material in the periods. The results of the business were reflected within the Meals & Beverages segment.

**5. Accumulated Other Comprehensive Income (Loss)**

The components of Accumulated other comprehensive income (loss) consisted of the following:

| (Millions) | Foreign Currency Translation Adjustments[1] | Cash-Flow Hedges[2] | Pension and Postretirement Benefit Plan Adjustments[3] | Total Accumulated Comprehensive Income (Loss) |
|---|---|---|---|---|
| Balance at July 30, 2023 | $ (1) | $ (4) | $ 2 | $ (3) |
| Other comprehensive income (loss) before reclassifications | (6) | (5) | — | (11) |
| Losses (gains) reclassified from accumulated other comprehensive income (loss) | — | (1) | — | (1) |
| Net current-period other comprehensive income (loss) | (6) | (6) | — | (12) |
| Balance at April 28, 2024 | $ (7) | $ (10) | $ 2 | $ (15) |
| | | | | |
| Balance at July 28, 2024 | $ (10) | $ (9) | $ 2 | $ (17) |
| **Other comprehensive income (loss) before reclassifications** | **(1)** | **(2)** | **5** | **2** |
| **Losses (gains) reclassified from accumulated other comprehensive income (loss)** | **—** | **—** | **—** | **—** |
| **Net current-period other comprehensive income (loss)** | **(1)** | **(2)** | **5** | **2** |
| **Balance at April 27, 2025** | **$ (11)** | **$ (11)** | **$ 7** | **$ (15)** |

(1) Included no tax as of April 27, 2025, July 28, 2024, April 28, 2024 and July 30, 2023.

(2) Included a tax benefit of $2 million as of April 27, 2025 and July 28, 2024, $3 million as of April 28, 2024 and $1 million as of July 30, 2023.

(3) Included tax expense of $2 million as of April 27, 2025, and $1 million as of July 28, 2024, April 28, 2024 and July 30, 2023.

Amounts related to noncontrolling interests were not material.

The amounts reclassified from Accumulated other comprehensive income (loss) consisted of the following:

| (Millions) | Three Months Ended April 27, 2025 | Three Months Ended April 28, 2024 | Nine Months Ended April 27, 2025 | Nine Months Ended April 28, 2024 | Location of Loss (Gain) Recognized in Earnings |
|---|---|---|---|---|---|
| Losses (gains) on cash-flow hedges: | | | | | |
| Foreign exchange contracts | **$ (1)** | $ — | **$ (2)** | $ (2) | Cost of products sold |
| Forward starting interest rate swaps | **1** | — | **2** | 1 | Interest expense |
| Total before tax | **$ —** | $ — | **$ —** | $ (1) | |
| Tax expense (benefit) | **—** | — | **—** | — | |
| Loss (gain), net of tax | **$ —** | $ — | **$ —** | $ (1) | |
| | | | | | |
| Pension and postretirement benefit adjustments: | | | | | |
| Prior service credit | **$ (1)** | $ — | **$ (1)** | $ — | Other expenses / (income) |
| Tax expense (benefit) | **1** | — | **1** | — | |
| Loss (gain), net of tax | **$ —** | $ — | **$ —** | $ — | |

## 6. Goodwill and Intangible Assets

### *Goodwill*

The following table shows the changes in the carrying amount of goodwill:

| (Millions) | Meals & Beverages | Snacks | Total |
|---|---|---|---|
| Net balance at July 28, 2024 | $ 2,102 | $ 2,975 | $ 5,077 |
| **Divestitures[(1)]** | **(65)** | **(21)** | **(86)** |
| **Net balance at April 27, 2025** | **$ 2,037** | **$ 2,954** | **$ 4,991** |

(1) See Note 4 for additional information on divestitures.

***Intangible Assets***

The following table summarizes balance sheet information for intangible assets, excluding goodwill:

| | April 27, 2025 | | | | July 28, 2024 | | |
|---|---|---|---|---|---|---|---|
| (Millions) | Cost | Accumulated Amortization | Divestiture[1] | Net | Cost | Accumulated Amortization | Net |
| Amortizable intangible assets | | | | | | | |
| Customer relationships | **$ 1,060** | **$ (357)** | **$ (17)** | **$ 686** | $ 1,060 | $ (300) | $ 760 |
| Definite-lived trademarks | **76** | **(2)** | **(72)** | **2** | 76 | (2) | 74 |
| Total amortizable intangible assets | **$ 1,136** | **$ (359)** | **$ (89)** | **$ 688** | $ 1,136 | $ (302) | $ 834 |
| Indefinite-lived trademarks | | | | | | | |
| *Rao's* | | | | **$ 1,470** | | | $ 1,470 |
| *Snyder's of Hanover* | | | | **470** | | | 620 |
| *Lance* | | | | **350** | | | 350 |
| *Kettle Brand* | | | | **318** | | | 318 |
| *Pace* | | | | **292** | | | 292 |
| *Pacific Foods* | | | | **280** | | | 280 |
| *Cape Cod* | | | | **187** | | | 187 |
| Various other Snacks[2] [3] | | | | **311** | | | 365 |
| Total indefinite-lived trademarks | | | | **$ 3,678** | | | $ 3,882 |
| Total net intangible assets | | | | **$ 4,366** | | | $ 4,716 |

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[1] See Note 4 for additional information on the divestiture of our noosa yoghurt business.

[2] The carrying amount as of July 28, 2024 included the $28 million *Pop Secret* trademark, which was divested with the sale of the business in 2025. See Note 4 for additional information.

[3] Includes the *Late July* and Allied brands trademarks.

Amortization expense was $19 million and $58 million for the three- and nine-month periods ended April 27, 2025, and $18 million and $52 million for the three- and nine-month periods ended April 28, 2024, respectively. Amortization expense included accelerated amortization expense on customer relationships of $6 million and $20 million for both the three-month and nine-month periods ended April 27, 2025 and April 28, 2024, respectively, which began in the fourth quarter of 2023 due to the loss of certain contract manufacturing customers. As of April 27, 2025, amortizable intangible assets had a weighted-average remaining useful life of 19 years. Amortization expense is estimated to be approximately $70 million in 2025 and $40 million per year for the following four years.

During the second quarter of 2025, we performed an interim impairment assessment on certain salty snacks and cookie trademarks within our Snacks segment, including *Tom's*, *Jays*, *Kruncher's*, *O-Ke-Doke*, *Stella D'oro* and *Archway*, collectively referred to as our "Allied brands." In 2025, sales performance was below expectations. In the second quarter of 2025, based on recent performance, we lowered our long-term outlook and recognized an impairment charge of $15 million on the Allied brands trademarks, reducing the carrying value to $28 million.

During the second quarter of 2025, we performed an interim impairment assessment on the *Late July* trademark within our Snacks segment. In 2025, sales performance was below expectations. In the second quarter of 2025, based on recent performance, we lowered our long-term outlook and recognized an impairment charge of $11 million on the trademark, reducing the carrying value to $47 million.

During the third quarter of 2025, we performed an interim impairment assessment on the *Snyder's of Hanover* trademark within our Snacks segment. In 2025, sales and operating performance were below expectations. In the third quarter of 2025, based on recent performance, we lowered our long-term outlook and recognized an impairment charge of $150 million on the trademark, reducing the carrying value to $470 million.

The impairment charges were recorded in Other expenses / (income) in the Consolidated Statement of Earnings.

The $1.47 billion carrying value of the *Rao's* trademark associated with the Sovos Brands acquisition approximates fair value. Excluding the carrying value of the *Rao's* trademark, based on the 2024 annual impairment testing and interim assessments described above, indefinite-lived trademarks with approximately 10% or less of excess coverage of fair value over carrying value had an aggregate carrying value of $1.117 billion as of April 27, 2025, and included the *Snyder's of Hanover*, *Pace*, *Pacific Foods, Late July* and Allied brands trademarks.

The estimates of future cash flows used in determining the fair value of goodwill and intangible assets involve significant management judgment and are based upon assumptions about expected future operating performance, assumed royalty rates, economic conditions, market conditions and cost of capital. Inherent in estimating the future cash flows are uncertainties beyond our control, such as changes in capital markets. The actual cash flows could differ materially from management's estimates due to changes in business conditions, operating performance and economic conditions, including the potential impact of tariffs.

**7. Segment Information**

Our reportable segments are as follows:

- Meals & Beverages, which consists of our soup, simple meals and beverages products in retail and foodservice in the U.S. and Canada. The segment includes the following products: *Campbell's* condensed and ready-to-serve soups; *Swanson* broth and stocks; *Pacific Foods* broth, soups and non-dairy beverages; *Prego* pasta sauces; *Pace* Mexican sauces; *SpaghettiOs* pasta; *Campbell's* gravies, beans and dinner sauces; *Swanson* canned poultry; *V8* juices and beverages; *Campbell's* tomato juice; and as of March 12, 2024, *Rao's* pasta sauces, dry pasta, frozen entrées, frozen pizza and soups; *Michael Angelo's* frozen entrées and pasta sauces; and *noosa* yogurts. The noosa yoghurt business was sold on February 24, 2025. The segment also includes snacking products in foodservice and Canada; and
- Snacks, which consists of Pepperidge Farm cookies, crackers, fresh bakery and frozen products, including *Goldfish* crackers, *Snyder's of Hanover* pretzels, *Lance* sandwich crackers, *Cape Cod* potato chips, *Kettle Brand* potato chips, *Late July* snacks, *Snack Factory* pretzel crisps, and other snacking products in retail in the U.S. The segment also includes the snacking and meals and beverages retail business in Latin America. The segment included the results of our Pop Secret popcorn business, which was sold on August 26, 2024.

We refer to the following products as our "leadership brands": *Campbell's* condensed and ready-to-serve soups; *Chunky* soups; *Swanson* broth, stocks and canned poultry; *Pacific Foods* broth, soups and non-dairy beverages; *Prego* pasta sauces; *Pace* Mexican sauces; *V8* juices and beverages; *Rao's* pasta sauces, dry pasta, frozen entrées, frozen pizza and soups; Pepperidge Farm cookies, crackers and fresh bakery; *Goldfish* crackers; *Snyder's of Hanover* pretzels; *Lance* sandwich crackers; *Cape Cod* potato chips; *Kettle Brand* potato chips; *Late July* snacks; and *Snack Factory* pretzel crisps.

We evaluate segment performance before interest, taxes and costs associated with restructuring activities, cost savings and optimization initiatives, impairment charges and corporate expenses. Unrealized gains and losses on outstanding undesignated commodity hedging activities are excluded from segment operating earnings and are recorded in Corporate as these open positions represent hedges of future purchases. Upon closing of the contracts, the realized gain or loss is transferred to segment operating earnings, which allows the segments to reflect the economic effects of the hedge without exposure to quarterly volatility of unrealized gains and losses. Only the service cost component of pension and postretirement expense is allocated to segments. All other components of expense, including interest cost, expected return on assets, amortization of prior service credits and recognized actuarial gains and losses are reflected in Corporate and not included in segment operating results. Asset information by segment is not discretely maintained for internal reporting or used in evaluating performance.

| | Three Months Ended | | Nine Months Ended | |
|---|---|---|---|---|
| **(Millions)** | **April 27, 2025** | **April 28, 2024** | **April 27, 2025** | **April 28, 2024** |
| Net sales | | | | |
| Meals & Beverages | **$ 1,463** | $ 1,272 | **$ 4,848** | $ 4,058 |
| Snacks | **1,012** | 1,097 | **3,084** | 3,285 |
| Total | **$ 2,475** | $ 2,369 | **$ 7,932** | $ 7,343 |

| | Three Months Ended | | Nine Months Ended | |
|---|---|---|---|---|
| **(Millions)** | **April 27, 2025** | **April 28, 2024** | **April 27, 2025** | **April 28, 2024** |
| Earnings before interest and taxes | | | | |
| Meals & Beverages | **$ 248** | $ 229 | **$ 876** | $ 763 |
| Snacks | **145** | 167 | **401** | 489 |
| Corporate income (expense)[1] | **(226)** | (135) | **(405)** | (312) |
| Restructuring charges[2] | **(6)** | (13) | **(17)** | (17) |
| Total | **$ 161** | $ 248 | **$ 855** | $ 923 |

(1) Represents unallocated items. Costs related to cost savings and optimization initiatives were $25 million and $74 million in the three- and nine-month periods ended April 27, 2025, and $23 million and $68 million in the three- and nine-month periods ended April 28, 2024, respectively. Unrealized mark-to-market adjustments on outstanding undesignated commodity hedges were losses of $10 million and gains of $8 million in the three- and nine-month periods ended April 27, 2025, and gains of $13 million and $5 million in the three- and nine-month periods ended April 28, 2024, respectively. Accelerated amortization expense related to customer relationship intangible assets was $6 million and $20 million in the three- and nine-month periods ended April 27, 2025 and April 28, 2024. Intangible asset impairment charges were $150 million and $176 million in the three- and nine-month periods ended in April 27, 2025, respectively. A loss on the sale of our Pop Secret popcorn business of $25 million was included in the nine-month period ended April 27, 2025. Litigation expenses related to the Plum baby food and snacks business, which was divested on May 3, 2021, and certain other litigation matters were $4 million and $6 million in the three- and nine-month periods ended April 27, 2025 and $3 million in the nine-month period ended April 28, 2024, respectively. Insurance recoveries of $1 million and costs of $3 million related to a cybersecurity incident were included in the nine-month periods ended April 27, 2025 and April 28, 2024, respectively. A postretirement actuarial loss of $2 million was included in the nine-month period ended April 27, 2025. Costs of $77 million and $96 million associated with the acquisition of Sovos Brands were included in the three- and nine-month periods ended April 28, 2024, respectively.

(2) See Note 8 for additional information.

Our net sales based on product categories are as follows:

| | Three Months Ended | | Nine Months Ended | |
|---|---|---|---|---|
| **(Millions)** | **April 27, 2025** | **April 28, 2024** | **April 27, 2025** | **April 28, 2024** |
| Net sales | | | | |
| Soup | **$ 621** | $ 577 | **$ 2,322** | $ 2,278 |
| Snacks | **1,068** | 1,152 | **3,254** | 3,452 |
| Other simple meals | **607** | 458 | **1,825** | 1,077 |
| Beverages | **179** | 182 | **531** | 536 |
| Total | **$ 2,475** | $ 2,369 | **$ 7,932** | $ 7,343 |

Soup includes various soup, broths and stock products. Snacks include cookies, pretzels, crackers, popcorn, potato chips, tortilla chips and other salty snacks and baked products. Other simple meals include sauces, yogurts, pasta, frozen entrées, canned poultry, frozen pizza, gravies and beans. Beverages include *V8* juices and beverages, *Campbell's* tomato juice and *Pacific Foods* non-dairy beverages.

**8. Restructuring Charges, Cost Savings Initiatives and Other Optimization Initiatives**

***Multi-year Cost Savings Initiatives and Snyder's-Lance, Inc. (Snyder's-Lance) Cost Transformation Program and Integration***

*Continuing Operations*

Beginning in 2015, we implemented initiatives to reduce costs and to streamline our organizational structure.

Over the years, we expanded these initiatives by continuing to optimize our supply chain and manufacturing networks, as well as our information technology infrastructure.

On March 26, 2018, we completed the acquisition of Snyder's-Lance. Prior to the acquisition, Snyder's-Lance launched a cost transformation program following a comprehensive review of its operations with the goal of significantly improving its financial performance. We continued to implement this program and identified opportunities for additional cost synergies as we integrated Snyder's-Lance.

In 2022, we expanded these initiatives as we continued to pursue cost savings by further optimizing our supply chain and manufacturing network and through effective cost management. In the second quarter of 2023, we announced plans to consolidate our Snacks offices in Charlotte, North Carolina, and Norwalk, Connecticut, into our headquarters in Camden, New Jersey.

A summary of the pre-tax charges recognized in the Consolidated Statements of Earnings related to these initiatives is as follows:

| | April 28, 2024 | | |
|---|---|---|---|
| (Millions) | Three Months Ended | Nine Months Ended | Total Program |
| Restructuring charges | $ (3) | $ 1 | $ 297 |
| Administrative expenses | 13 | 47 | 437 |
| Cost of products sold | 3 | 9 | 128 |
| Marketing and selling expenses | 1 | 4 | 23 |
| Research and development expenses | 1 | 3 | 10 |
| Total pre-tax charges | $ 15 | $ 64 | $ 895 |

A summary of the pre-tax costs associated with the initiatives is as follows:

| (Millions) | Total Program |
|---|---|
| Severance pay and benefits | $ 253 |
| Asset impairment/accelerated depreciation | 134 |
| Implementation costs and other related costs | 508 |
| Total | $ 895 |

Of the aggregate $895 million pre-tax costs incurred, approximately $720 million were cash expenditures.

Segment operating results do not include restructuring charges, implementation costs and other related costs because we evaluate segment performance excluding such charges. A summary of the pre-tax costs associated with segments is as follows:

| (Millions) | Total Program |
|---|---|
| Meals & Beverages | $ 288 |
| Snacks | 383 |
| Corporate | 224 |
| Total | $ 895 |

As of July 28, 2024, we substantially completed the multi-year cost savings initiatives and Snyder's-Lance cost transformation program and integration. Certain phases that had not been fully implemented were incorporated into the 2025 cost savings initiatives described below.

***Sovos Brands Integration Initiatives***

On March 12, 2024, we completed the acquisition of Sovos Brands. See Note 3 for additional information. We identified opportunities for cost synergies as we integrate Sovos Brands.

In the three-month period ended April 28, 2024, we recorded Restructuring charges of $16 million for severance pay and benefits related to initiatives to achieve the synergies. In 2024, we recorded Restructuring charges of $21 million for severance pay and benefits related to initiatives to achieve the synergies. The charges incurred in 2024 were associated with the Meals & Beverages segment.

In 2025, the initiatives to achieve synergies were incorporated into the cost savings initiatives described below.

***2025 Cost Savings Initiatives***

On September 10, 2024, we announced plans to implement cost savings initiatives beginning in 2025, including initiatives to further optimize our supply chain and manufacturing network, optimization of our information technology infrastructure and targeted cost management. We also identified additional opportunities for cost synergies as we integrate Sovos Brands. As mentioned above, we substantially completed our previous multi-year cost savings initiatives and Snyder's-Lance cost transformation program and integration. Certain initiatives from that program have been incorporated into our 2025 cost savings initiatives. Cost estimates for the 2025 initiatives, as well as timing for certain activities, are continuing to be developed.

A summary of the pre-tax charges recorded in the Consolidated Statement of Earnings related to these initiatives is as follows:

| | April 27, 2025 | |
|---|---|---|
| **(Millions)** | **Three Months Ended** | **Nine Months Ended** |
| Restructuring charges | $ 6 | $ 17 |
| Administrative expenses | 7 | 26 |
| Cost of products sold | 7 | 25 |
| Marketing and selling expenses | — | 2 |
| Research and development expenses | 1 | 3 |
| Total pre-tax charges | $ 21 | $ 73 |

A summary of the pre-tax costs associated with the initiatives is as follows:

| **(Millions)** | **Recognized as of April 27, 2025** |
|---|---|
| Severance pay and benefits | $ 17 |
| Asset impairment/accelerated depreciation | 23 |
| Implementation costs and other related costs | 33 |
| Total | $ 73 |

The total estimated pre-tax costs for actions that have been identified to date are approximately $210 million and we expect to incur substantially all of the costs through 2028. These estimates will be updated as the detailed plans are developed.

We expect the costs for the actions that have been identified to date to consist of the following: approximately $25 million in severance pay and benefits; approximately $55 million in asset impairment and accelerated depreciation; and approximately $130 million in implementation costs and other related costs. We expect these pre-tax costs to be associated with our segments as follows: Meals & Beverages - approximately 70%; Snacks - approximately 9% and Corporate - approximately 21%.

Of the aggregate $210 million of pre-tax costs identified to date, we expect approximately $150 million will be cash expenditures. In addition, we expect to invest approximately $215 million in capital expenditures, of which we invested $88 million as of April 27, 2025. The capital expenditures primarily relate to optimization of production within our manufacturing network, optimization of information technology infrastructure and applications and implementation of our existing SAP enterprise-resource planning system for Sovos Brands.

A summary of the restructuring activity and related reserves is as follows:

| **(Millions)** | **Severance Pay and Benefits** | **Implementation Costs and Other Related Costs[3]** | **Asset Impairment/Accelerated Depreciation** | **Other Non-Cash Exit Costs[4]** | **Total Charges** |
|---|---|---|---|---|---|
| Accrued balance at July 28, 2024[1] | $ 36 | | | | |
| **2025 charges** | **17** | **31** | **23** | **2** | **$ 73** |
| **2025 cash payments** | **(21)** | | | | |
| **Accrued balance at April 27, 2025[2]** | **$ 32** | | | | |

(1) Associated with the multi-year cost savings initiatives and Snyder's-Lance cost transformation program and integration, and the Sovos Brands integration initiatives described above. Includes $12 million of severance pay and benefits recorded in Other liabilities in the Consolidated Balance Sheet.

(2) Includes $16 million of severance pay and benefits recorded in Other liabilities in the Consolidated Balance Sheet.

(3) Includes other costs recognized as incurred that are not reflected in the restructuring reserve in the Consolidated Balance Sheet. The costs are included in Administrative expenses, Cost of products sold, Marketing and selling expenses and Research and development expenses in the Consolidated Statements of Earnings.

(4) Includes non-cash costs that are not reflected in the restructuring reserve in the Consolidated Balance Sheet.

Segment operating results do not include restructuring charges, implementation costs and other related costs because we evaluate segment performance excluding such charges. A summary of the pre-tax costs associated with segments is as follows:

| | April 27, 2025 | |
|---|---|---|
| (Millions) | Three Months Ended | Nine Months Ended |
| Meals & Beverages | $ 14 | $ 51 |
| Snacks | 5 | 10 |
| Corporate | 2 | 12 |
| Total | $ 21 | $ 73 |

***Other Optimization Initiatives***

In the second quarter of 2024, we began implementation of an initiative to improve the effectiveness of our Snacks direct-store-delivery route-to-market network. Pursuant to this initiative we will purchase certain Pepperidge Farm and Snyder's-Lance routes where there are opportunities to unlock greater scale in select markets, combine them and sell the combined routes to independent contractor distributors. We expect to execute this program in a staggered rollout and to incur expenses of up to approximately $115 million through 2029. In the three- and nine-month periods ended April 27, 2025, we incurred $9 million and $17 million in Marketing and selling expenses and $1 million in Administrative expenses related to this initiative, respectively. In the three- and nine-month periods ended April 28, 2024, we incurred $5 million in Marketing and selling expenses related to this initiative. As of April 27, 2025, we have incurred $22 million in Marketing and selling expenses and $1 million in Administrative expenses related to this initiative.

## 9. Earnings per Share (EPS)

For the periods presented in the Consolidated Statements of Earnings, the calculations of basic EPS and EPS assuming dilution vary in that the weighted average shares outstanding assuming dilution include the incremental effect of stock options and other share-based payment awards, except when such effect would be antidilutive. The earnings per share calculation for the three- and nine-month periods ended April 27, 2025 and April 28, 2024, excludes less than 1 million stock options that would have been antidilutive.

## 10. Pension and Postretirement Benefits

Components of net periodic benefit expense (income) were as follows:

| | Three Months Ended | | | | Nine Months Ended | | | |
|---|---|---|---|---|---|---|---|---|
| | Pension | | Postretirement | | Pension | | Postretirement | |
| (Millions) | April 27, 2025 | April 28, 2024 | April 27, 2025 | April 28, 2024 | April 27, 2025 | April 28, 2024 | April 27, 2025 | April 28, 2024 |
| Service cost | **$ 4** | $ 4 | **$ —** | $ — | **$ 10** | $ 10 | **$ —** | $ — |
| Interest cost | **15** | 16 | **2** | 2 | **46** | 49 | **5** | 6 |
| Expected return on plan assets | **(20)** | (20) | **—** | — | **(60)** | (60) | **—** | — |
| Amortization of prior service credit | **—** | — | **(1)** | — | **—** | — | **(1)** | — |
| Actuarial losses (gains) | **—** | — | **—** | — | **—** | — | **2** | **—** |
| Net periodic benefit expense (income) | **$ (1)** | $ — | **$ 1** | $ 2 | **$ (4)** | $ (1) | **$ 6** | $ 6 |

The actuarial loss for the nine-month period ended April 27, 2025 was due to the remeasurement of our postretirement plan in the first quarter due to a plan amendment. The actuarial loss was primarily due to a decrease in the discount rate used to determine the benefit obligation.

**11. Leases**

The components of lease costs were as follows:

| (Millions) | Three Months Ended April 27, 2025 | Three Months Ended April 28, 2024 | Nine Months Ended April 27, 2025 | Nine Months Ended April 28, 2024 |
|---|---|---|---|---|
| Operating lease cost[(1)] | **$ 28** | $ 25 | **$ 84** | $ 73 |
| Finance lease - amortization of right-of-use (ROU) assets | **7** | 6 | **21** | 14 |
| Finance lease - interest on lease liabilities | **1** | 1 | **3** | 1 |
| Short-term lease cost | **14** | 15 | **44** | 50 |
| Variable lease cost | **55** | 57 | **179** | 159 |
| Total | **$ 105** | $ 104 | **$ 331** | $ 297 |

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[(1)] Excludes costs associated with the cost savings initiatives described in Note 8.

The following tables summarize the lease amounts recorded in the Consolidated Balance Sheets:

| (Millions) | Operating Leases<br>Balance Sheet Classification | April 27, 2025 | July 28, 2024 |
|---|---|---|---|
| ROU assets, net | Other assets | **$ 339** | $ 333 |
| Lease liabilities (current) | Accrued liabilities | **$ 97** | $ 90 |
| Lease liabilities (noncurrent) | Other liabilities | **$ 272** | $ 268 |

| (Millions) | Finance Leases<br>Balance Sheet Classification | April 27, 2025 | July 28, 2024 |
|---|---|---|---|
| ROU assets, net | Plant assets, net of depreciation | **$ 70** | $ 72 |
| Lease liabilities (current) | Short-term borrowings | **$ 31** | $ 25 |
| Lease liabilities (noncurrent) | Long-term debt | **$ 42** | $ 46 |

The following table summarizes cash flow and other information related to leases:

| (Millions) | Nine Months Ended April 27, 2025 | Nine Months Ended April 28, 2024 |
|---|---|---|
| Cash paid for amounts included in the measurement of lease liabilities: | | |
| Operating cash flows from operating leases | **$ 80** | $ 70 |
| Operating cash flows from finance leases | **$ 3** | $ 1 |
| Financing cash flows from finance leases | **$ 23** | $ 15 |
| | | |
| ROU assets obtained in exchange for lease obligations: | | |
| Operating leases | **$ 82** | $ 78 |
| Finance leases | **$ 33** | $ 35 |
| | | |
| ROU assets obtained with business acquired: | | |
| Operating leases | | $ 15 |
| Finance leases | | $ 13 |

**12. Short-term Borrowings and Long-term Debt**

In August 2023, we filed a registration statement with the Securities and Exchange Commission that registered an indeterminate amount of debt securities. Under the registration statement we may issue debt securities from time to time, depending on market conditions. On October 2, 2024, pursuant to the registration statement, we completed the issuance of senior unsecured notes of $1.15 billion, consisting of:

- $800 million aggregate principal amount of notes bearing interest at a fixed rate of 4.75% per annum, due March 23, 2035, with interest payable semi-annually on each of March 23 and September 23 commencing March 23, 2025; and
- $350 million aggregate principal amount of notes bearing interest at a fixed rate of 5.25% per annum, due October 13, 2054, with interest payable semi-annually on each of April 13 and October 13 commencing April 13, 2025.

The notes contain customary covenants and events of default. If a change of control triggering event occurs, we will be required to offer to purchase the notes at a purchase price equal to 101% of the principal amount plus accrued and unpaid interest, if any, to the purchase date. In October 2024, we used a portion of the net proceeds from the issuance of the notes to repay $200 million of the $400 million outstanding under our 2022 Delayed Draw Term Loan Credit Agreement (the 2022 DDTL Credit Agreement) due November 15, 2025 and a portion of our outstanding commercial paper. In November 2024, we repaid the remaining $200 million outstanding under the 2022 DDTL Credit Agreement. In March 2025, we used a portion of the net proceeds from the issuance of the notes along with cash on hand and the issuance of commercial paper to repay a $1.15 billion aggregate principal amount of senior notes that matured in March 2025.

**13. Financial Instruments**

The principal market risks to which we are exposed are changes in foreign currency exchange rates, interest rates and commodity prices. In addition, we are exposed to price changes related to certain deferred compensation obligations. In order to manage these exposures, we follow established risk management policies and procedures, including the use of derivative contracts such as swaps, rate locks, options, forwards and commodity futures. We enter into these derivative contracts for periods consistent with the related underlying exposures, and the contracts do not constitute positions independent of those exposures. We do not enter into derivative contracts for speculative purposes and do not use leveraged instruments. Our derivative programs include instruments that qualify for hedge accounting treatment and instruments that are not designated as accounting hedges.

***Concentration of Credit Risk***

We are exposed to the risk that counterparties to derivative contracts will fail to meet their contractual obligations. To mitigate counterparty credit risk, we enter into contracts only with carefully selected, leading, credit-worthy financial institutions, and distribute contracts among several financial institutions to reduce the concentration of credit risk. We did not have credit risk-related contingent features in our derivative instruments as of April 27, 2025, or July 28, 2024.

We are also exposed to credit risk from our customers. During 2024, our largest customer accounted for approximately 22% of our consolidated net sales. Our five largest customers accounted for approximately 47% of our consolidated net sales in 2024.

We closely monitor credit risk associated with counterparties and customers.

***Foreign Currency Exchange Risk***

We are exposed to foreign currency exchange risk, primarily the Canadian dollar and Euro, related to intercompany transactions and third-party transactions. We utilize foreign exchange forward purchase and sale contracts and option contracts to hedge these exposures. The contracts are either designated as cash-flow hedging instruments or are undesignated. We hedge portions of our forecasted foreign currency transaction exposure with foreign exchange forward contracts for periods typically up to 18 months. The notional amount of foreign exchange forward contracts accounted for as cash-flow hedges was $129 million as of April 27, 2025, and $108 million as of July 28, 2024. Changes in the fair value on the portion of the derivative included in the assessment of hedge effectiveness of cash-flow hedges are recorded in other comprehensive income (loss), until earnings are affected by the variability of cash flows. For derivatives that are designated and qualify as hedging instruments, the initial fair value of hedge components excluded from the assessment of effectiveness is recognized in earnings under a systematic and rational method over the life of the hedging instrument and is presented in the same statement of earnings line item as the earnings effect of the hedged item. Any difference between the change in the fair value of the hedge components excluded from the assessment of effectiveness and the amounts recognized in earnings is recorded as a component of other comprehensive income (loss). The notional amount of foreign exchange forward and option contracts that are not designated as accounting hedges was $464 million as of April 27, 2025, and $189 million as of July 28, 2024.

***Interest Rate Risk***

We manage our exposure to changes in interest rates by optimizing the use of variable-rate and fixed-rate debt. From time to time, we may use interest rate swaps in order to maintain our variable-to-total debt ratio within targeted guidelines. We manage our exposure to interest volatility on future debt issuances by entering into forward starting interest rate swaps or treasury lock contracts to hedge the rate on the interest payments related to the anticipated debt issuance. The forward starting interest rate swaps or treasury lock contracts are either designated as cash-flow hedging instruments or are undesignated.

Changes in the fair value on the portion of the derivative included in the assessment of hedge effectiveness of cash-flow hedges are recorded in other comprehensive income (loss), and reclassified into Interest expense over the life of the debt issued. The change in fair value on undesignated instruments is recorded in Interest expense. In conjunction with the issuance of senior unsecured notes on October 2, 2024, due on March 23, 2035, we settled forward starting interest rate swaps with a notional value of $700 million at a gain of less than $1 million. The gain on these instruments was recorded in other comprehensive income (loss) and will be recognized in Interest expense over the life of the debt. There were no forward starting interest rate swaps or treasury lock contracts outstanding as of April 27, 2025 and July 28, 2024.

***Commodity Price Risk***

We principally use a combination of purchase orders and various short- and long-term supply arrangements in connection with the purchase of raw materials, including certain commodities and agricultural products. We also enter into commodity futures, options and swap contracts to reduce the volatility of price fluctuations of wheat, diesel fuel, soybean oil, natural gas, cocoa, aluminum, corn and soybean meal. Commodity futures, options and swap contracts are either designated as cash-flow hedging instruments or are undesignated. We hedge a portion of commodity requirements for periods typically up to 18 months. There were no commodity contracts designated as cash-flow hedges as of April 27, 2025, or July 28, 2024. The notional amount of commodity contracts not designated as accounting hedges was $184 million as of April 27, 2025, and $200 million as of July 28, 2024. The change in fair value on undesignated instruments is recorded in Cost of products sold.

We have a supply contract under which prices for certain raw materials are established based on anticipated volume requirements over a twelve-month period. Certain prices under the contract are based in part on certain component parts of the raw materials that are in excess of our needs or not required for our operations, thereby creating an embedded derivative requiring bifurcation. We net settle amounts due under the contract with our counterparty. The notional amount was $69 million as of April 27, 2025, and $48 million as of July 28, 2024. The change in fair value on the embedded derivative is recorded in Cost of products sold.

***Deferred Compensation Obligation Price Risk***

We enter into swap contracts which hedge a portion of exposures relating to the total return of certain deferred compensation obligations. These contracts are not designated as hedges for accounting purposes. Unrealized gains (losses) and settlements are included in Administrative expenses in the Consolidated Statements of Earnings. We enter into these contracts for periods typically not exceeding 12 months. The notional amounts of the contracts were $65 million as of April 27, 2025, and $71 million as of July 28, 2024.

The following tables summarize the fair value of derivative instruments on a gross basis as recorded in the Consolidated Balance Sheets as of April 27, 2025, and July 28, 2024:

| **(Millions)** | **Balance Sheet Classification** | **April 27, 2025** | **July 28, 2024** |
|---|---|---|---|
| **Asset Derivatives** | | | |
| Derivatives designated as hedges: | | | |
| Foreign exchange contracts | Other current assets | **$ —** | $ 2 |
| Total derivatives designated as hedges | | **$ —** | $ 2 |
| Derivatives not designated as hedges: | | | |
| Commodity contracts | Other current assets | **$ 11** | $ 6 |
| Deferred compensation contracts | Other current assets | **5** | 3 |
| Foreign exchange contracts | Other current assets | **3** | — |
| Total derivatives not designated as hedges | | **$ 19** | $ 9 |
| Total asset derivatives | | **$ 19** | $ 11 |

| (Millions) | Balance Sheet Classification | April 27, 2025 | July 28, 2024 |
|---|---|---|---|
| **Liability Derivatives** | | | |
| Derivatives designated as hedges: | | | |
| Foreign exchange contracts | Accrued liabilities | **$ 3** | $ — |
| Total derivatives designated as hedges | | **$ 3** | $ — |
| Derivatives not designated as hedges: | | | |
| Commodity contracts | Accrued liabilities | **$ 13** | $ 16 |
| Total derivatives not designated as hedges | | **$ 13** | $ 16 |
| Total liability derivatives | | **$ 16** | $ 16 |

We do not offset the fair values of derivative assets and liabilities executed with the same counterparty that are generally subject to enforceable netting agreements. However, if we were to offset and record the asset and liability balances of derivatives on a net basis, the amounts presented in the Consolidated Balance Sheets as of April 27, 2025, and July 28, 2024, would be adjusted as detailed in the following table:

| | April 27, 2025 | | | July 28, 2024 | | |
|---|---|---|---|---|---|---|
| (Millions) | Gross Amounts Presented in the Consolidated Balance Sheet | Gross Amounts Not Offset in the Consolidated Balance Sheet Subject to Netting Agreements | Net Amount | Gross Amounts Presented in the Consolidated Balance Sheet | Gross Amounts Not Offset in the Consolidated Balance Sheet Subject to Netting Agreements | Net Amount |
| Total asset derivatives | **$ 19** | **$ (6)** | **$ 13** | $ 11 | $ (1) | $ 10 |
| Total liability derivatives | **$ 16** | **$ (6)** | **$ 10** | $ 16 | $ (1) | $ 15 |

We are required to maintain cash margin accounts in connection with funding the settlement of open positions for exchange-traded commodity derivative instruments. Cash margin asset balances of $2 million at April 27, 2025 and July 28, 2024 were included in Other current assets in the Consolidated Balance Sheets.

The following tables show the effect of our derivative instruments designated as cash-flow hedges in other comprehensive income (loss) (OCI) and the Consolidated Statements of Earnings:

| | | Total Cash-Flow Hedge OCI Activity | |
|---|---|---|---|
| (Millions) | | April 27, 2025 | April 28, 2024 |
| **Three Months Ended** | | | |
| OCI derivative gain (loss) at beginning of quarter | | **$ (8)** | $ (26) |
| Effective portion of changes in fair value recognized in OCI: | | | |
| Foreign exchange contracts | | **(5)** | 1 |
| Forward starting interest rate swaps | | **—** | 12 |
| Amount of loss (gain) reclassified from OCI to earnings: | **Location in Earnings** | | |
| Foreign exchange contracts | Cost of products sold | **(1)** | — |
| Forward starting interest rate swaps | Interest expense | **1** | — |
| OCI derivative gain (loss) at end of quarter | | **$ (13)** | $ (13) |

| (Millions) | | Total Cash-Flow Hedge OCI Activity April 27, 2025 | Total Cash-Flow Hedge OCI Activity April 28, 2024 |
|---|---|---|---|
| **Nine Months Ended** | | | |
| OCI derivative gain (loss) at beginning of year | | **$ (11)** | $ (5) |
| Effective portion of changes in fair value recognized in OCI: | | | |
| Foreign exchange contracts | | **(2)** | 4 |
| Forward starting interest rate swaps | | **—** | (11) |
| Amount of loss (gain) reclassified from OCI to earnings: | **Location in Earnings** | | |
| Foreign exchange contracts | Cost of products sold | **(2)** | (2) |
| Forward starting interest rate swaps | Interest expense | **2** | 1 |
| OCI derivative gain (loss) at end of quarter | | **$ (13)** | $ (13) |

Based on current valuations, the amount expected to be reclassified from OCI into earnings within the next 12 months is a loss of $4 million.

The following tables show the total amounts of line items presented in the Consolidated Statements of Earnings in which the effects of derivative instruments designated as cash-flow hedges are recorded and the total effect of hedge activity on these line items:

| | Three Months Ended | | | |
|---|---|---|---|---|
| | April 27, 2025 | | April 28, 2024 | |
| (Millions) | Cost of products sold | Interest expense | Cost of products sold | Interest expense |
| Consolidated Statements of Earnings: | **$ 1,747** | **$ 85** | $ 1,637 | $ 70 |
| | | | | |
| Loss (gain) on cash-flow hedges: | | | | |
| Amount of loss (gain) reclassified from OCI to earnings | **$ (1)** | **$ 1** | $ — | $ — |

| | Nine Months Ended | | | |
|---|---|---|---|---|
| | April 27, 2025 | | April 28, 2024 | |
| (Millions) | Cost of products sold | Interest expense | Cost of products sold | Interest expense |
| Consolidated Statements of Earnings: | **$ 5,518** | **$ 260** | $ 5,047 | $ 165 |
| | | | | |
| Loss (gain) on cash-flow hedges: | | | | |
| Amount of loss (gain) reclassified from OCI to earnings | **$ (2)** | **$ 2** | $ (2) | $ 1 |

The amount excluded from effectiveness testing recognized in each line item of earnings using an amortization approach was not material in all periods presented.

The following table shows the effects of our derivative instruments not designated as hedges in the Consolidated Statements of Earnings:

| | | Three Months Ended | | Nine Months Ended | |
|---|---|---|---|---|---|
| (Millions) | Location of Loss (Gain) Recognized in Earnings | April 27, 2025 | April 28, 2024 | April 27, 2025 | April 28, 2024 |
| Foreign exchange contracts | Cost of products sold | **$ (3)** | $ — | **$ (4)** | $ — |
| Commodity contracts | Cost of products sold | **10** | (13) | **(8)** | (9) |
| Deferred compensation contracts | Administrative expenses | **4** | (1) | **(2)** | (4) |
| Total | | **$ 11** | $ (14) | **$ (14)** | $ (13) |

### 14. Fair Value Measurements

We categorize financial assets and liabilities based on the following fair value hierarchy:

- Level 1: Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability through corroboration with observable market data.
- Level 3: Unobservable inputs, which are valued based on our estimates of assumptions that market participants would use in pricing the asset or liability.

Fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. When available, we use unadjusted quoted market prices to measure the fair value and classify such items as Level 1. If quoted market prices are not available, we base fair value upon internally developed models that use current market-based or independently sourced market parameters such as interest rates and currency rates. Included in the fair value of derivative instruments is an adjustment for credit and nonperformance risk.

***Assets and Liabilities Measured at Fair Value on a Recurring Basis***

The following tables present our financial assets and liabilities that are measured at fair value on a recurring basis as of April 27, 2025, and July 28, 2024, consistent with the fair value hierarchy:

| (Millions) | Fair Value as of April 27, 2025 | Fair Value Measurements at April 27, 2025 Using Fair Value Hierarchy | | | Fair Value as of July 28, 2024 | Fair Value Measurements at July 28, 2024 Using Fair Value Hierarchy | | |
|---|---|---|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | | Level 1 | Level 2 | Level 3 |
| Assets | | | | | | | | |
| Foreign exchange contracts[1] | **$ 3** | **$ —** | **$ 3** | **$ —** | $ 2 | $ — | $ 2 | $ — |
| Commodity derivative contracts[2] | **11** | **3** | **6** | **2** | 6 | — | 1 | 5 |
| Deferred compensation derivative contracts[3] | **5** | **—** | **5** | **—** | 3 | — | 3 | — |
| Deferred compensation investments[4] | **1** | **1** | **—** | **—** | 1 | 1 | — | — |
| Total assets at fair value | **$ 20** | **$ 4** | **$ 14** | **$ 2** | $ 12 | $ 1 | $ 6 | $ 5 |

| (Millions) | Fair Value as of April 27, 2025 | Fair Value Measurements at April 27, 2025 Using Fair Value Hierarchy | | | Fair Value as of July 28, 2024 | Fair Value Measurements at July 28, 2024 Using Fair Value Hierarchy | | |
|---|---|---|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | | Level 1 | Level 2 | Level 3 |
| Liabilities | | | | | | | | |
| Foreign exchange contracts[1] | **$ 3** | **$ —** | **$ 3** | **$ —** | $ — | $ — | $ — | $ — |
| Commodity derivative contracts[2] | **13** | **2** | **5** | **6** | 16 | 1 | 15 | — |
| Deferred compensation obligation[4] | **95** | **95** | **—** | **—** | 101 | 101 | — | — |
| Total liabilities at fair value | **$ 111** | **$ 97** | **$ 8** | **$ 6** | $ 117 | $ 102 | $ 15 | $ — |

(1) Based on observable market transactions of spot currency rates and forward rates.

(2) Level 1 and 2 are based on quoted futures exchanges and on observable prices of futures and options transactions in the marketplace. Level 3 is based on unobservable inputs in which there is little or no market data, which requires management’s own assumptions within an internally developed model.

(3) Based on equity index swap rates.

(4) Based on the fair value of the participants’ investments.

The following table summarizes the changes in fair value of Level 3 assets and liabilities:

| | Nine Months Ended | |
|---|---|---|
| (Millions) | April 27, 2025 | April 28, 2024 |
| Fair value at beginning of year | **$ 5** | $ 2 |
| Gains (losses) | **(6)** | 13 |
| Settlements | **(3)** | (7) |
| Fair value at end of quarter | **$ (4)** | $ 8 |

***Items Measured at Fair Value on a Nonrecurring Basis***

In addition to assets and liabilities that are measured at fair value on a recurring basis, we are also required to measure certain items at fair value on a nonrecurring basis.

In the second and third quarters of 2025, we performed interim impairment assessments on certain trademarks in our Snacks segment. See also Note 6 for additional information on the impairment charges.

Fair value was determined based on unobservable Level 3 inputs. The fair value of trademarks was determined based on discounted cash flow analysis that involves significant management assumptions such as expected revenue growth rates, assumed royalty rates and weighted-average costs of capital.

The following table presents fair value measurements of the trademarks:

| | March 2025 | | December 2025 | |
|---|---|---|---|---|
| (Millions) | Impairment Charge | Fair Value | Impairment Charges | Fair Value |
| *Snyder's of Hanover* | **$ 150** | **$ 470** | | |
| Allied brands | | | **$ 15** | **$ 28** |
| *Late July* | | | **$ 11** | **$ 47** |

***Fair Value of Financial Instruments***

The carrying values of cash and cash equivalents, accounts receivable and accounts payable approximate fair value.

There were cash equivalents of $18 million at April 27, 2025 and $25 million at July 28, 2024. Cash equivalents represent fair value as these highly liquid investments have an original maturity of three months or less. Fair value of cash equivalents is based on Level 2 inputs.

The fair value of short- and long-term debt was $6.556 billion at April 27, 2025, and $6.866 billion at July 28, 2024. The carrying value was $6.896 billion at April 27, 2025, and $7.184 billion at July 28, 2024. The fair value of long-term debt is principally estimated using Level 2 inputs based on quoted market prices or pricing models using current market rates.

**15. Share Repurchases**

In September 2021, the Board approved a strategic share repurchase program of up to $500 million (September 2021 program). The September 2021 program has no expiration date, but it may be suspended or discontinued at any time. Repurchases under the September 2021 program may be made in open-market or privately negotiated transactions.

In September 2024, the Board authorized an anti-dilutive share repurchase program of up to $250 million (September 2024 program) to offset the impact of dilution from shares issued under our stock compensation programs. The September 2024 program has no expiration date, but it may be suspended or discontinued at any time. Repurchases under the September 2024 program may be made in open-market or privately negotiated transactions. The September 2024 program replaced an anti-dilutive share repurchase program of up to $250 million that was approved by the Board in June 2021 and has been terminated.

During the nine-month periods ended April 27, 2025 and April 28, 2024, we repurchased 1.247 million shares at a cost of $60 million and 1.08 million shares at a cost of $46 million, respectively, pursuant to our anti-dilutive share repurchase programs. As of April 27, 2025, approximately $200 million remained available under the September 2024 program and approximately $301 million remained available under the September 2021 program.

**16. Stock-based Compensation**

We provide compensation benefits by issuing stock options, unrestricted stock and restricted stock units (including time-lapse restricted stock units, EPS performance restricted stock units, total shareholder return (TSR) performance restricted stock units and free cash flow (FCF) performance restricted stock units). In 2025, we issued time-lapse restricted stock units, unrestricted stock, TSR performance restricted stock units and EPS performance restricted stock units. We last issued stock options and FCF performance restricted stock units in 2019.

In connection with the Sovos Brands acquisition, in the third quarter of 2024, we issued 1.721 million time-lapse restricted stock units (Replacement units) in exchange for certain Sovos Brands restricted stock units and performance restricted stock units. The Replacement units are subject to the same terms and conditions of the original Sovos Brands restricted stock units and performance restricted stock units. Certain Replacement units were subject to accelerated vesting. The Replacement units had a total fair value of $74 million based on the quoted price of our stock on the acquisition date. The portion of Replacement units attributed to pre-combination service was $42 million, which was accounted for as part of consideration transferred and was recorded in Additional Paid-in Capital in our Consolidated Statements of Equity in the third quarter of 2024. See Note 3 for additional information. The portion of the Replacement units attributable to post-combination service will be recognized as stock-based compensation expense over the remaining vesting period.

In determining stock-based compensation expense, we estimate forfeitures expected to occur. Total pre-tax stock-based compensation expense and tax-related benefits recognized in the Consolidated Statements of Earnings were as follows:

| | Three Months Ended | | Nine Months Ended | |
|---|---|---|---|---|
| **(Millions)** | **April 27, 2025** | **April 28, 2024** | **April 27, 2025** | **April 28, 2024** |
| Total pre-tax stock-based compensation expense[(1)] | **$ 16** | $ 44 | **$ 52** | $ 80 |
| Tax-related benefits | **$ 4** | $ 3 | **$ 14** | $ 9 |

(1) Includes $26 million of expense related to accelerated vesting of certain Replacement units in the three- and nine-month periods ended April 28, 2024.

The following table summarizes stock option activity:

| | **Options** | **Weighted-Average Exercise Price** | **Weighted-Average Remaining Contractual Life** | **Aggregate Intrinsic Value** |
|---|---|---|---|---|
| | **(In thousands)** | | **(In years)** | **(Millions)** |
| Outstanding at July 28, 2024 | 779 | $ 45.33 | | |
| Granted | — | $ — | | |
| Exercised | — | $ — | | |
| Terminated | — | $ — | | |
| Outstanding at April 27, 2025 | 779 | $ 45.33 | 2.4 | $ — |
| Exercisable at April 27, 2025 | 779 | $ 45.33 | 2.4 | $ — |

No options were exercised during the nine-month period ended April 28, 2024. We measured the fair value of stock options using the Black-Scholes option pricing model.

We expensed stock options on a straight-line basis over the vesting period, except for awards issued to retirement eligible participants, which we expensed on an accelerated basis. As of January 2022, compensation related to stock options was fully expensed.

The following table summarizes time-lapse restricted stock units and EPS performance restricted stock units activity:

| | **Units** | **Weighted-Average Grant-Date Fair Value** |
|---|---|---|
| | **(In thousands)** | |
| Nonvested at July 28, 2024 | 3,300 | $ 43.24 |
| Granted | 1,429 | $ 47.97 |
| Vested | (1,423) | $ 43.11 |
| Forfeited | (315) | $ 46.05 |
| Nonvested at April 27, 2025 | 2,991 | $ 45.26 |

We determine the fair value of time-lapse restricted stock units based on the quoted price of our stock at the date of grant. We expense time-lapse restricted stock units on a straight-line basis over the vesting period, except for awards issued to retirement-eligible participants and certain Replacement units, which we expense on an accelerated basis.

Since 2022, we have granted EPS performance restricted stock units that will be earned upon the achievement of our adjusted EPS compound annual growth rate goal, measured over a three-year period. The actual number of EPS performance restricted stock units issued at the vesting date could range from 0% to 200% of the initial grant depending on actual performance achieved. The fair value of EPS performance restricted stock units is based upon the quoted price of our stock at the date of grant. We expense EPS performance restricted stock units on a straight-line basis over the service period, except for awards issued to retirement-eligible participants, which we expense on an accelerated basis. We estimate expense based on the number of awards expected to vest. In the first quarter of 2025, recipients of EPS performance restricted stock units earned 100% of the initial grants based upon actual performance achieved during a three-year period ended July 28, 2024. There were 841 thousand EPS performance target grants outstanding at April 27, 2025, with a weighted-average grant-date fair value of $45.22. In connection with the divestiture of our Pop Secret popcorn business, in the first quarter of 2025, our adjusted EPS compound annual growth rate goals for the EPS performance restricted stock units granted in 2024 and 2023 were revised to equitably adjust for the impact of the completed divestiture that was not contemplated at the time of approval of the original targets. In connection with the divestiture of our noosa yoghurt business in the third quarter of 2025, our adjusted EPS compound annual growth rate goals for the EPS performance restricted stock units granted in 2025, 2024, and 2023 were similarly revised.

As of April 27, 2025, total remaining unearned compensation related to nonvested time-lapse restricted stock units and EPS performance restricted stock units was $60 million, which will be amortized over the weighted-average remaining service period of 1.8 years. The fair value of restricted stock units vested during the nine-month periods ended April 27, 2025, and April 28, 2024, was $68 million and $95 million, respectively. The weighted-average grant-date fair value of the restricted stock units granted during the nine-month period ended April 28, 2024 was $41.46.

The following table summarizes TSR performance restricted stock units activity:

| | Units | Weighted-Average Grant-Date Fair Value |
|---|---|---|
| | (In thousands) | |
| Nonvested at July 28, 2024 | 873 | $ 47.40 |
| Granted | 566 | $ 45.23 |
| Vested | (464) | $ 45.52 |
| Forfeited | (134) | $ 46.33 |
| Nonvested at April 27, 2025 | 841 | $ 47.15 |

We estimated the fair value of TSR performance restricted stock units at the grant date using a Monte Carlo simulation.

Weighted-average assumptions used in the Monte Carlo simulation were as follows:

| | 2025 | 2024 |
|---|---|---|
| Risk-free interest rate | **3.56%** | 4.84% |
| Expected dividend yield | **3.06%** | 3.54% |
| Expected volatility | **22.43%** | 22.16% |
| Expected term | **3 years** | 3 years |

We recognize compensation expense on a straight-line basis over the service period, except for awards issued to retirement eligible participants, which we expense on an accelerated basis. As of April 27, 2025, total remaining unearned compensation related to TSR performance restricted stock units was $13 million, which will be amortized over the weighted-average remaining service period of 1.8 years. In the first quarter of 2025, recipients of TSR performance restricted stock units earned 175% of the initial grants based upon our TSR ranking in a performance peer group during a three-year period ended July 26, 2024. As a result, approximately 199 thousand additional shares were awarded. In the first quarter of 2024, recipients of TSR performance restricted stock units earned 75% of the initial grants based upon our TSR ranking in a performance peer group during a three-year period ended July 28, 2023. The fair value of TSR performance restricted stock units vested during the nine-month periods ended April 27, 2025, and April 28, 2024, was $23 million and $12 million, respectively. The grant-date fair value of the TSR performance restricted stock units granted during the nine-month period ended April 28, 2024, was $44.18.

## 17. Commitments and Contingencies

*Regulatory and Litigation Matters*

We are involved in various pending or threatened legal or regulatory proceedings, including purported class actions, arising from the conduct of business both in the ordinary course and otherwise. Modern pleading practice in the U.S. permits considerable variation in the assertion of monetary damages or other relief. Jurisdictions may permit claimants not to specify the monetary damages sought or may permit claimants to state only that the amount sought is sufficient to invoke the jurisdiction of the trial court. In addition, jurisdictions may permit plaintiffs to allege monetary damages in amounts well exceeding reasonably possible verdicts in the jurisdiction for similar matters. This variability in pleadings, together with our actual experiences in litigating or resolving through settlement numerous claims over an extended period of time, demonstrates to us that the monetary relief which may be specified in a lawsuit or claim bears little relevance to its merits or disposition value.

Due to the unpredictable nature of litigation, the outcome of a litigation matter and the amount or range of potential loss at particular points in time is normally difficult to ascertain. Uncertainties can include how fact finders will evaluate documentary evidence and the credibility and effectiveness of witness testimony, and how trial and appellate courts will apply the law in the context of the pleadings or evidence presented, whether by motion practice, or at trial or on appeal. Disposition valuations are also subject to the uncertainty of how opposing parties and their counsel will themselves view the relevant evidence and applicable law.

On March 20, 2024, the United States Department of Justice (DOJ), on behalf of the U.S. Environmental Protection Agency, and National Education Law Center, on behalf of Environment America and Lake Erie Waterkeeper, filed lawsuits in the United States District Court for the Northern District of Ohio – Western Division concerning alleged violations of the Clean Water Act relating to alleged contaminant discharges from our Napoleon, Ohio wastewater treatment facility in excess of the facility's Clean Water Act permit limits. We have and are continuing to take actions to remediate the exceedances and are in settlement discussions with the DOJ and the private environmental groups while litigation proceedings are ongoing. While we cannot predict with certainty the amount of any civil penalty or the timing of the resolution of this matter, we do not expect that the ultimate costs to resolve this matter will have a material adverse effect on our financial condition, results of operations, or cash flows.

We establish liabilities for litigation and regulatory loss contingencies when information related to the loss contingencies shows both that it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated. It is possible that some matters could require us to pay damages or make other expenditures or establish accruals in amounts that could not be reasonably estimated as of April 27, 2025. While the potential future charges could be material in a particular quarter or annual period, based on information currently known by us, we do not believe any such charges are likely to have a material adverse effect on our consolidated results of operations or financial condition.

*Other Contingencies*

We have provided certain indemnifications in connection with divestitures, contracts and other transactions. Certain indemnifications have finite expiration dates. Liabilities recognized based on known exposures related to such matters were not material at April 27, 2025.

**18. Supplier Finance Program Obligations**

To manage our cash flow and related liquidity, we work with our suppliers to optimize our terms and conditions, including the extension of payment terms. Our current payment terms with our suppliers, which we deem to be commercially reasonable, generally range from 0 to 120 days. We also maintain agreements with third-party administrators that allow participating suppliers to track payment obligations from us, and, at the sole discretion of the supplier, sell those payment obligations to participating financial institutions. Our obligations to our suppliers, including amounts due and scheduled payment terms, are not impacted. Supplier participation in these agreements is voluntary. We have no economic interest in a supplier's decision to enter into these agreements and no direct financial relationship with the financial institutions. We have not pledged assets as security or provided any guarantees in connection with these arrangements. The payment of these obligations is included in cash provided by operating activities in the Consolidated Statements of Cash Flows. Amounts outstanding under these programs, which are included in Accounts payable on the Consolidated Balance Sheets, were $254 million at April 27, 2025 and $243 million at July 28, 2024.

## 19. Supplemental Financial Statement Data

| (Millions) | | April 27, 2025 | | July 28, 2024 |
|---|---|---|---|---|
| ***Balance Sheets*** | | | | |
| Inventories | | | | |
| Raw materials, containers and supplies | **$** | **415** | $ | 376 |
| Finished products | | **879** | | 1,010 |
| | **$** | **1,294** | $ | 1,386 |

| | Three Months Ended | | | | Nine Months Ended | | | |
|---|---|---|---|---|---|---|---|---|
| (Millions) | April 27, 2025 | | April 28, 2024 | | April 27, 2025 | | April 28, 2024 | |
| ***Statements of Earnings*** | | | | | | | | |
| Other expenses / (income) | | | | | | | | |
| Impairment of intangible assets[(1)] | **$** | **150** | $ | — | **$** | **176** | $ | — |
| Amortization of intangible assets[(2)] | | **19** | | 18 | | **58** | | 52 |
| Net periodic benefit expense (income) other than the service cost | | **(4)** | | (2) | | **(8)** | | (5) |
| Costs associated with acquisition[(3)] | | **—** | | 16 | | **—** | | 35 |
| Loss on sales of businesses[(4)] | | **—** | | — | | **25** | | — |
| Transition services fees | | **(1)** | | — | | **(3)** | | (2) |
| Other | | **(4)** | | (2) | | **(4)** | | — |
| | **$** | **160** | $ | 30 | **$** | **244** | $ | 80 |

(1) See Note 6 for additional information.

(2) Includes accelerated amortization expense related to customer relationship intangible assets of $6 million in the three-month periods ended April 27, 2025 and April 28, 2024, and $20 million in the nine-month periods ended April 27, 2025 and April 28, 2024.

(3) Related to the acquisition of Sovos Brands. See Note 3 for additional information.

(4) See Note 4 for additional information.

**Item 2.** ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

**OVERVIEW**

This Management's Discussion and Analysis of Financial Condition and Results of Operations is provided as a supplement to, and should be read in conjunction with, the Consolidated Financial Statements and the Notes to the Consolidated Financial Statements in "Part I - Item 1. Financial Statements," and our Form 10-K for the year ended July 28, 2024, including but not limited to "Part I - Item 1A. Risk Factors" and "Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations."

***Executive Summary***

Unless otherwise stated, the terms "we," "us," "our" and the "company" refer to The Campbell's Company and its consolidated subsidiaries.

We are a manufacturer and marketer of high-quality, branded food and beverage products. We operate in a highly competitive industry and experience competition in all of our categories.

On March 12, 2024, we completed the acquisition of Sovos Brands, Inc. (Sovos Brands) for total purchase consideration of $2.899 billion. For additional information on the Sovos Brands acquisition, see Note 3 to the Consolidated Financial Statements. All references to the acquisition below refer to the Sovos Brands acquisition.

On August 26, 2024, we completed the sale of our Pop Secret popcorn business. On February 24, 2025, we completed the sale of our noosa yoghurt business. For additional information on the divestitures, see Note 4 to the Consolidated Financial Statements.

*Business Trends*

Our industry continues to navigate global macroeconomic challenges, including tariffs and shifting global trade policies; changes in consumer purchasing and spending patterns; supply chain pressures; commodity cost volatility; labor market issues; and economic uncertainties amplified by increased regulatory activity. Tariffs on China, Canada, Mexico, the European Union and other countries have and are expected to result in retaliatory measures on U.S. goods, such as the 25% tariffs imposed by Canada on imports of certain U.S. goods, and increase costs. We are continuing to monitor the rapidly evolving tariff and global trade policies and are working with our suppliers to mitigate potential impacts on our business. The extent and duration of the tariffs and the resulting impact on general economic conditions and on our business are uncertain and depend on various factors, such as recent legal challenges to the U.S.'s imposition of tariffs, negotiations between the U.S. and affected countries, the responses of other countries or regions, exemptions that may be granted, availability and cost of alternative sources of supply and demand for our products in affected markets.

In addition, in light of recent actions by the United States Department of Health and Human Services, Food and Drug Administration (FDA) and states, we anticipate continued legislative and regulatory developments with respect to food ingredients, labeling and packaging at the state and federal levels, along with related changes in consumer expectations and behavior. In April 2025, the FDA announced a series of actions aimed at phasing out all “petroleum-based synthetic dyes” from the nation’s food supply, and in May 2025, the Make America Healthy Again (MAHA) Commission published a report discussing factors contributing to chronic childhood disease including diet, environmental exposure, lack of physical activity and healthcare. While the effects of all of these proposals remain uncertain at this time, we are continuing to monitor changes to laws and regulations that affect the food industry and evaluate their impact on our business and financial condition.

Through the third quarter, we experienced a moderate level of input cost inflation and other supply chain costs. We anticipate continued supply chain productivity and benefits from cost savings initiatives to mitigate inflationary pressures and expect such benefits to offset incremental costs in 2025, excluding potential impacts of tariffs. We expect consumer trends to continue to evolve and our volumes to improve over time; however, economic pressures, including the challenges of persistent inflation and impacts of tariffs, may continue to negatively impact our volumes throughout 2025. We will continue to evaluate the evolving macroeconomic environment to take action to mitigate the impact on our business, consolidated results of operations and financial condition.

***Summary of Results***

This Summary of Results provides significant highlights from the discussion and analysis that follows.

- Net sales increased 4% in the quarter to $2.475 billion primarily due to the benefit from the acquisition of Sovos Brands and favorable volume/mix, partially offset by the impact of divestitures and lower net price realization. The increase in volume/mix was partially related to the favorable timing of shipments this quarter.
- Gross profit, as a percent of sales, was 29.4% in 2025 compared to 30.9% in the prior-year quarter. The decrease was primarily due to the impact of cost inflation and other supply chain costs, mark-to-market adjustments on outstanding undesignated commodity hedges and unfavorable net price realization, partially offset by benefits from supply chain productivity improvements, the prior-year impact from a Sovos Brands acquisition date fair value adjustment for inventory and favorable volume/mix.

- Earnings per share were $.22 in 2025, compared to $.44 in the prior-year quarter. The current quarter included expenses of $.51 per share and the prior-year quarter included expenses of $.30 per share from items impacting comparability as discussed below.

***Net Earnings attributable to The Campbell's Company***

The following items impacted the comparability of net earnings and net earnings per share:

- We implemented several cost savings initiatives in recent years. In the third quarter of 2025, we recorded Restructuring charges of $6 million and implementation costs and other related costs of $7 million in Cost of products sold, $7 million in Administrative expenses and $1 million in Research and development expenses related to these initiatives. In the third quarter of 2024, we recorded implementation costs and other related costs of $13 million in Administrative expenses, $3 million in Cost of products sold, $1 million in Marketing and selling expenses, $1 million in Research and development expenses and a reduction to Restructuring charges of $3 million related to these initiatives. Year-to-date in 2025, we recorded Restructuring charges of $17 million and implementation costs and other related costs of $26 million in Administrative expenses, $25 million in Cost of products sold, $3 million in Research and development expenses and $2 million in Marketing and selling expenses related to these initiatives. Year-to-date in 2024, we recorded Restructuring charges of $1 million and implementation costs and other related costs of $47 million in Administrative expenses, $9 million in Cost of products sold, $4 million in Marketing and selling expenses and $3 million in Research and development expenses related to these initiatives.

  In the second quarter of 2024, we began implementation of an optimization initiative to improve the effectiveness of our Snacks direct-store-delivery route-to-market network. In the third quarter of 2025, we recognized $9 million in Marketing and selling expenses and $1 million in Administrative expenses related to this initiative. In the third quarter of 2024, we recognized $5 million in Marketing and selling expenses related to this initiative. Year-to-date in 2025, we recognized $17 million in Marketing and selling expenses and $1 million in Administrative expenses related to this initiative.

  In the third quarter of 2025, the total aggregate impact related to the cost savings and optimization initiatives was $31 million ($24 million after tax, or $.08 per share). In the third quarter of 2024, the total aggregate impact related to the cost savings and optimization initiatives was $20 million ($15 million after tax, or $.05 per share). Year-to-date in 2025, the total aggregate impact related to the cost savings and optimization initiatives was $91 million ($70 million after tax, or $.23 per share). Year-to-date in 2024, the total aggregate impact related to the cost savings and optimization initiatives was $69 million ($52 million after tax, or $.17 per share). See Note 8 to the Consolidated Financial Statements and "Restructuring Charges, Cost Savings Initiatives and Other Optimization Initiatives" for additional information;

- In the third quarter of 2025, we recognized losses in Cost of products sold of $10 million ($7 million after tax, or $.02 per share) associated with unrealized mark-to-market adjustments on outstanding undesignated commodity hedges. In the third quarter of 2024, we recognized gains in Cost of products sold of $13 million ($10 million after tax, or $.03 per share) associated with unrealized mark-to-market adjustments on outstanding undesignated commodity hedges. Year-to-date in 2025, we recognized gains in Cost of products sold of $8 million ($6 million after tax, or $.02 per share) associated with unrealized mark-to-market adjustments on outstanding undesignated commodity hedges. Year-to-date in 2024, we recognized gains in Cost of products sold of $5 million ($4 million after tax, or $.01 per share) associated with unrealized mark-to-market adjustments on outstanding undesignated commodity hedges;

- In the third quarter of 2025 and 2024, we recorded accelerated amortization expense in Other expenses / (income) of $6 million ($5 million after tax, or $.02 per share) related to customer relationship intangible assets due to the loss of certain contract manufacturing customers, which began in the fourth quarter of 2023. Year-to-date in 2025 and 2024, we recorded accelerated amortization expense in Other expenses / (income) of $20 million ($15 million after tax, or $.05 per share);

- In the third quarter of 2025, the company performed an interim impairment assessment on the *Snyder's of Hanover* trademark within the Snacks segment and recognized an impairment charge of $150 million ($112 million after tax, or $.37 per share) on the trademark.

  In the second quarter of 2025, we performed an interim impairment assessment on certain salty snacks and cookie trademarks within our Snacks segment, including *Tom's*, *Jays*, *Kruncher's*, *O-Ke-Doke*, *Stella D'oro* and *Archway*, collectively referred to as our "Allied brands," and recognized an impairment charge of $15 million on the trademarks.

  In the second quarter of 2025, we performed an interim impairment assessment on the *Late July* trademark within our Snacks segment and recognized an impairment charge of $11 million on the trademark.

In the second quarter of 2025, the total aggregate impact of the impairment charges was $26 million ($19 million after tax, or $.06 per share). Year-to-date in 2025, the total aggregate impact of the impairment charges was $176 million ($131 million after tax, or $.44 per share).

The charges were included in Other expenses / (income);

- In the third quarter of 2025, we completed the sale of our noosa yoghurt business. In the second quarter of 2025, we recorded $15 million ($.05 per share) of tax expense related to the sale. Year-to-date in 2025, we recorded an after-tax loss of $15 million ($.05 per share) on the sale of the business, which is subject to the finalization of certain purchase price adjustments. In the first quarter of 2025, we recorded a loss in Other expenses / (income) of $25 million ($19 million after tax, or $.06 per share) on the sale of our Pop Secret popcorn business. Year-to-date in 2025, the total aggregate impact of charges associated with divestitures was $25 million ($34 million after tax, or $.11 per share);
- In the third quarter of 2025, we recorded litigation expenses in Administrative expenses of $4 million ($4 million after tax, or $.01 per share) related to the Plum baby food and snacks business (Plum), which was divested on May 3, 2021, and certain other litigation matters. Year-to-date in 2025, we recorded litigation expenses in Administrative expenses of $6 million ($6 million after tax, or $.02 per share) related to Plum and certain other litigation matters. Year-to-date in 2024, we recorded litigation expenses in Administrative expenses of $3 million ($3 million after tax, or $.01 per share) related to Plum;
- Year-to-date in 2025, we recognized insurance recoveries in Administrative expenses of $1 million ($1 million after tax) related to a cybersecurity incident that was identified in the fourth quarter of 2023. Year-to-date in 2024, we recorded costs of $2 million in Cost of products sold and $1 million in Administrative expenses (aggregate impact of $2 million after tax, or $.01 per share) related to the cybersecurity incident;
- Year-to-date in 2025, we recognized an actuarial loss in Other expenses / (income) of $2 million ($1 million after tax) related to an interim remeasurement of our postretirement plan due to a plan amendment; and
- In the first quarter of 2024, we announced our intent to acquire Sovos Brands and on March 12, 2024, the acquisition closed. In the third quarter of 2024, we incurred $93 million of costs associated with the acquisition, of which $16 million was recorded in Restructuring charges, $39 million in Administrative expenses, $16 million in Other expenses / (income), $2 million in Marketing and selling expenses, $2 million in Research and development expenses and $18 million in Cost of products sold, of which $17 million was associated with the acquisition date fair value adjustment for inventory. We also recorded costs of $2 million in Interest expense related to costs associated with the Delayed Draw Term Loan Credit Agreement (the 2024 DDTL Credit Agreement) used to fund the acquisition. The aggregate impact was $95 million, $81 million after tax, or $.27 per share. Year-to-date in 2024, we incurred $114 million of costs associated with the acquisition, of which $16 million was recorded to Restructuring charges, $39 million in Administrative expenses, $35 million in Other expenses / (income), $2 million in Marketing and selling expenses, $2 million in Research and development expenses, $18 million in Cost of products sold and $2 million in Interest expense. The aggregate after-tax impact was $98 million, or $.33 per share.

The items impacting comparability are summarized below:

| | Three Months Ended | | | |
|---|---|---|---|---|
| | April 27, 2025 | | April 28, 2024 | |
| **(Millions, except per share amounts)** | **Earnings Impact** | **EPS Impact** | **Earnings Impact** | **EPS Impact** |
| Net earnings attributable to The Campbell's Company | **$ 66** | **$ .22** | $ 133 | $ .44 |
| Costs associated with cost savings and optimization initiatives | **$ (24)** | **$ (.08)** | $ (15) | $ (.05) |
| Commodity mark-to-market gains (losses) | **(7)** | **(.02)** | 10 | .03 |
| Accelerated amortization | **(5)** | **(.02)** | (5) | (.02) |
| Impairment charges | **(112)** | **(.37)** | — | — |
| Certain litigation expenses | **(4)** | **(.01)** | — | — |
| Costs associated with acquisition | — | — | (81) | (.27) |
| Impact of items on Net earnings[(1)] | **$ (152)** | **$ (.51)** | $ (91) | $ (.30) |

(1) Sum of the individual amounts may not add due to rounding.

| | Nine Months Ended | | | |
|---|---|---|---|---|
| | April 27, 2025 | | April 28, 2024 | |
| (Millions, except per share amounts) | Earnings Impact | EPS Impact | Earnings Impact | EPS Impact |
| Net earnings attributable to The Campbell's Company | **$ 457** | **$ 1.52** | $ 570 | $ 1.91 |
| | | | | |
| Costs associated with cost savings and optimization initiatives | **$ (70)** | **$ (.23)** | $ (52) | $ (.17) |
| Commodity mark-to-market gains | **6** | **.02** | 4 | .01 |
| Accelerated amortization | **(15)** | **(.05)** | (15) | (.05) |
| Impairment charges | **(131)** | **(.44)** | — | — |
| Charges associated with divestitures | **(34)** | **(.11)** | — | — |
| Certain litigation expenses | **(6)** | **(.02)** | (3) | (.01) |
| Cybersecurity incident recoveries (costs) | **1** | **—** | (2) | (.01) |
| Postretirement actuarial losses | **(1)** | **—** | — | — |
| Costs associated with acquisition | **—** | **—** | (98) | (.33) |
| Impact of items on Net earnings | **$ (250)** | **$ (.83)** | $ (166) | $ (.56) |

Net earnings attributable to The Campbell's Company were $66 million ($.22 per share) in the current quarter, compared to $133 million ($.44 per share) in the year-ago quarter. After adjusting for items impacting comparability, earnings decreased primarily due to higher interest expense and higher marketing and selling expenses, partially offset by lower administrative expenses.

Net earnings attributable to The Campbell's Company were $457 million ($1.52 per share) in the nine-month period this year, compared to $570 million ($1.91 per share) in the year-ago period. After adjusting for items impacting comparability, earnings decreased primarily due to higher interest expense and higher marketing and selling expenses, partially offset by an increase in gross profit and a lower effective tax rate.

## THIRD-QUARTER DISCUSSION AND ANALYSIS

### *Sales*

An analysis of net sales by reportable segment follows:

| | Three Months Ended | | |
|---|---|---|---|
| (Millions) | April 27, 2025 | April 28, 2024 | % Change |
| Meals & Beverages | **$ 1,463** | $ 1,272 | 15 |
| Snacks | **1,012** | 1,097 | (8) |
| | **$ 2,475** | $ 2,369 | 4 |

An analysis of percent change of net sales by reportable segment follows:

| | Meals & Beverages[(2)] | Snacks | Total[(2)] |
|---|---|---|---|
| Volume/mix | 7% | (5)% | 2% |
| Net price realization[(1)] | (1) | — | (1) |
| Divestitures | (2) | (3) | (2) |
| Acquisition | 12 | — | 6 |
| | 15% | (8)% | 4% |

(1) Includes revenue reductions from trade promotion and consumer coupon redemption programs.

(2) Sum of the individual amounts does not add due to rounding.

In Meals & Beverages, sales increased 15%, primarily due to a 12-point benefit from the acquisition of Sovos Brands. Excluding the benefit from the acquisition of Sovos Brands and the impact from the divestiture of the noosa yoghurt business, sales increased primarily due to gains in U.S. soup, *Rao's* pasta sauces and Canada, partially related to the favorable timing of shipments. Sales of *Rao's* pasta sauces increased due primarily to the timing of shipments related to the implementation of our existing SAP enterprise-resource planning system for Sovos Brands. Favorable volume/mix was partially offset by lower net price realization. Sales of U.S. soup increased 7% primarily due to increases in condensed soups, broth and ready-to-serve soups.

In Snacks, sales decreased 8%. Excluding the impact from the divestiture of the Pop Secret popcorn business, sales decreased due to declines in *Goldfish* crackers, third-party partner brands and contract manufacturing, *Snyder's of Hanover* pretzels, *Late July* snacks and *Lance* sandwich crackers. Sales were impacted by volume/mix declines and neutral net price realization.

***Gross Profit***

Gross profit, defined as Net sales less Cost of products sold, decreased by $4 million in 2025 from 2024. As a percent of sales, gross profit was 29.4% in 2025 and 30.9% in 2024.

The 150 basis-point decrease in gross profit margin was due to the following factors:

| | **Margin Impact** |
|---|---|
| Cost inflation, supply chain costs and other factors[1] | **(300)** |
| Net price realization | **(80)** |
| Higher costs associated with cost savings initiatives | **(20)** |
| Productivity improvements | **130** |
| Impact of acquisition[2] | **60** |
| Volume/mix[3] | **60** |
| | **(150)** |

______________________________________

(1) Includes an estimated positive margin impact of 60 basis points from the benefit of cost savings initiatives, which was more than offset by cost inflation and other factors, including a 90 basis-point negative impact from the change in unrealized mark-to-market adjustments on outstanding undesignated commodity hedges.

(2) Prior year included a negative margin impact of 70 basis points from a Sovos Brands acquisition date fair value adjustment for inventory.

(3) Includes the impact of operating leverage.

***Marketing and Selling Expenses***

Marketing and selling expenses as a percent of sales were 8.7% in 2025 and 2024. Marketing and selling expenses increased 5% in 2025 from 2024. The increase was primarily due to the impact of the acquisition (approximately 5 points).

***Administrative Expenses***

Administrative expenses as a percent of sales were 6.5% in 2025 compared to 8.8% in 2024. Administrative expenses decreased 22% in 2025 from 2024. The decrease was primarily due to costs associated with the acquisition in the prior year (approximately 19 points); increased benefits from cost savings initiatives (approximately 9 points) and lower costs associated with cost savings initiatives (approximately 2 points), partially offset by higher general administrative costs and inflation (approximately 5 points) and the impact of the acquisition (approximately 2 points).

***Other Expenses / (Income)***

Other expenses were $160 million in 2025 compared to $30 million in 2024. Other expenses in 2025 included an impairment charge related to the *Snyder's of Hanover* trademark of $150 million and accelerated amortization expense of $6 million. Other expenses in 2024 included costs associated with the acquisition of $16 million and accelerated amortization expense of $6 million.

***Operating Earnings***

Segment operating earnings decreased 1% in 2025 from 2024.

An analysis of operating earnings by segment follows:

| | Three Months Ended | | |
|---|---|---|---|
| (Millions) | April 27, 2025 | April 28, 2024 | % Change |
| Meals & Beverages | $ 248 | $ 229 | 8 |
| Snacks | 145 | 167 | (13) |
| | 393 | 396 | (1) |
| Corporate income (expense) | (226) | (135) | |
| Restructuring charges[1] | (6) | (13) | |
| Earnings before interest and taxes | $ 161 | $ 248 | |

[1] See Note 8 to the Consolidated Financial Statements for additional information on restructuring charges.

Operating earnings from Meals & Beverages increased 8%. The increase was primarily due to the benefit of the acquisition of Sovos Brands, partially offset by a decline in the base business.

Operating earnings from Snacks decreased 13%. The decrease was primarily due to lower gross profit, partially offset by lower administrative expenses.

Corporate expense in 2025 included the following:

- $150 million of an impairment charge related to the *Snyder's of Hanover* trademark;
- costs of $25 million related to costs savings and optimization initiatives;
- $10 million of unrealized mark-to-market losses on outstanding undesignated commodity hedges;
- $6 million of accelerated amortization expense; and
- $4 million of certain litigation expenses, including expenses related to Plum.

Corporate expense in 2024 included the following:

- $77 million of costs associated with the acquisition of Sovos Brands;
- costs of $23 million related to cost savings and optimization initiatives;
- $6 million of accelerated amortization expense; and
- $13 million of unrealized mark-to-market gains on outstanding undesignated commodity hedges.

***Interest Expense***

Interest expense of $85 million in 2025 increased from $70 million in 2024 primarily due to higher levels of debt and higher average interest rates on the debt portfolio.

***Taxes on Earnings***

The effective tax rate was 18.5% in 2025 and 26.9% in 2024. The decrease in the effective tax rate was primarily due to the items impacting comparability, including nondeductible costs associated with the acquisition of Sovos Brands in the year-ago quarter and the timing of recognition of tax expense related to the impairment charge.

**NINE-MONTH DISCUSSION AND ANALYSIS**

***Sales***

An analysis of net sales by reportable segment follows:

| | Nine Months Ended | | |
|---|---|---|---|
| (Millions) | April 27, 2025 | April 28, 2024 | % Change |
| Meals & Beverages | $ 4,848 | $ 4,058 | 19 |
| Snacks | 3,084 | 3,285 | (6) |
| | $ 7,932 | $ 7,343 | 8 |

An analysis of percent change of net sales by reportable segment follows:

| | Meals & Beverages | Snacks[(2)] | Total[(2)] |
|---|---|---|---|
| Volume/mix | 3% | (3)% | —% |
| Net price realization[(1)] | (2) | (1) | (1) |
| Divestitures | (1) | (3) | (1) |
| Acquisition | 19 | — | 11 |
| | 19% | (6)% | 8% |

(1) Includes revenue reductions from trade promotion and consumer coupon redemption programs.

(2) Sum of the individual amounts does not add due to rounding.

In Meals & Beverages, sales increased 19%, primarily due to a 19-point benefit from the acquisition of Sovos Brands. Excluding the benefit from the Sovos Brands acquisition and the impact from the divestiture of the noosa yoghurt business, sales increased primarily due to gains in *Rao's* pasta sauces, foodservice and Canada, partially offset by declines in *SpaghettiOs*. Sales of *Rao's* pasta sauces increased due primarily to the timing of shipments related to the implementation of our existing SAP enterprise-resource planning system for Sovos Brands. Favorable volume/mix was partially offset by lower net price realization. Sales of U.S. soup were comparable with prior year as decreases in ready-to-serve soups and condensed soups were offset by increases in broth.

In Snacks, sales decreased 6%. Excluding the impact from the divestiture of the Pop Secret popcorn business, sales decreased due to declines in third-party partner brands and contract manufacturing, *Goldfish* crackers, *Snyder's of Hanover* pretzels, Pepperidge Farm cookies, *Kettle Brand* potato chips, *Late July* snacks and *Lance* sandwich crackers. Sales were impacted by volume/mix declines and lower net price realization.

***Gross Profit***

Gross profit, defined as Net sales less Cost of products sold, increased by $118 million in 2025 from 2024. As a percent of sales, gross profit was 30.4% in 2025 and 31.3% in 2024.

The 90 basis-point decrease in gross profit margin was due to the following factors:

| | Margin Impact |
|---|---|
| Cost inflation, supply chain costs and other factors[(1)] | **(130)** |
| Net price realization | **(100)** |
| Higher costs associated with cost savings initiatives | **(20)** |
| Impact of acquisition[(2)] | **(10)** |
| Productivity improvements | **140** |
| Volume/mix[(3)] | **30** |
| | **(90)** |

(1) Includes an estimated positive margin impact of 50 basis points from the benefit of cost savings initiatives, which was more than offset by cost inflation and other factors.

(2) Prior year included a negative margin impact of 20 basis points from a Sovos Brands acquisition date fair value adjustment for inventory.

(3) Includes the impact of operating leverage.

***Marketing and Selling Expenses***

Marketing and selling expenses as a percent of sales were 9.1% in 2025 compared to 8.8% in 2024. Marketing and selling expenses increased 12% in 2025 from 2024. The increase was primarily due to the impact of the acquisition (approximately 9 points); higher advertising and consumer promotion expense (approximately 2 points) and higher costs related to cost savings and optimization initiatives (approximately 2 points). The increase in advertising and consumer promotion expense was driven by Meals & Beverages and Snacks.

***Administrative Expenses***

Administrative expenses as a percent of sales were 6.3% in 2025 compared to 7.6% in 2024. Administrative expenses decreased 10% in 2025 from 2024. The decrease was primarily due to costs associated with the acquisition in the prior year (approximately 7 points); increased benefits from cost savings initiatives (approximately 7 points); lower costs related to cost savings initiatives (approximately 4 points); lower benefit-related costs (approximately 1 point) and lower incentive compensation (approximately 1 point), partially offset by higher general administrative costs and inflation (approximately 6 points) and the impact of the acquisition (approximately 4 points).

***Other Expenses / (Income)***

Other expenses were $244 million in 2025 compared to $80 million in 2024. Other expenses in 2025 included impairment charges related to the *Snyder's of Hanover*, Allied brands and *Late July* trademarks of $176 million, a loss of $25 million on the sale of the Pop Secret popcorn business, accelerated amortization expense of $20 million and a postretirement actuarial loss of $2 million. Other expenses in 2024 included costs associated with the acquisition of $35 million and accelerated amortization expense of $20 million.

***Operating Earnings***

Segment operating earnings increased 2% in 2025 from 2024.

An analysis of operating earnings by segment follows:

| | Nine Months Ended | | |
|---|---|---|---|
| **(Millions)** | **April 27, 2025** | **April 28, 2024** | **% Change** |
| Meals & Beverages | **$ 876** | $ 763 | 15 |
| Snacks | **401** | 489 | (18) |
| | **1,277** | 1,252 | 2 |
| Corporate income (expense) | **(405)** | (312) | |
| Restructuring charges[1] | **(17)** | (17) | |
| Earnings before interest and taxes | **$ 855** | $ 923 | |

[1] See Note 8 to the Consolidated Financial Statements for additional information on restructuring charges.

Operating earnings from Meals & Beverages increased 15%. The increase was primarily due to the benefit of the acquisition of Sovos Brands.

Operating earnings from Snacks decreased 18%. The decrease was primarily due to lower gross profit and higher marketing and selling expenses, partially offset by lower administrative expenses. Gross profit decreased primarily due to the impact of cost inflation and other supply chain costs, unfavorable volume/mix and unfavorable net price realization, partially offset by supply chain productivity improvements and benefits from cost savings initiatives.

Corporate expense in 2025 included the following:

- $176 million of impairment charges related to the *Snyder's of Hanover*, Allied brands and *Late July* trademarks;
- costs of $74 million related to costs savings and optimization initiatives;
- $25 million loss on the sale of the Pop Secret popcorn business;
- $20 million of accelerated amortization expense;
- $6 million of certain litigation expenses, including expenses related to Plum;
- $2 million postretirement actuarial loss;
- $8 million of unrealized mark-to-market gains on outstanding undesignated commodity hedges; and
- $1 million of insurance recoveries related to a cybersecurity incident.

Corporate expense in 2024 included the following:

- $96 million of costs associated with the acquisition of Sovos Brands;
- costs of $68 million related to cost savings and optimization initiatives;
- $20 million of accelerated amortization expense;
- $3 million of Plum litigation expenses;
- $3 million of costs associated with a cybersecurity incident; and
- $5 million of unrealized mark-to-market gains on outstanding undesignated commodity hedges.

***Interest Expense***

Interest expense of $260 million in 2025 increased from $165 million in 2024 primarily due to higher levels of debt and higher average interest rates on the debt portfolio.

***Taxes on Earnings***

The effective tax rate was 25.3% in 2025 and 25.3% in 2024. The effective tax rate was comparable primarily due to $15 million of tax expense related to the sale of the noosa yoghurt business, offset by nondeductible costs associated with the acquisition of Sovos Brands in the prior year and excess tax benefits associated with the vesting of stock-based compensation awards in the current year.

***Restructuring Charges, Cost Savings Initiatives and Other Optimization Initiatives***

*Multi-year Cost Savings Initiatives and Snyder's-Lance, Inc. (Snyder's-Lance) Cost Transformation Program and Integration*

Continuing Operations

Beginning in fiscal 2015, we implemented initiatives to reduce costs and to streamline our organizational structure.

Over the years, we expanded these initiatives by continuing to optimize our supply chain and manufacturing networks, as well as our information technology infrastructure.

On March 26, 2018, we completed the acquisition of Snyder's-Lance. Prior to the acquisition, Snyder's-Lance launched a cost transformation program following a comprehensive review of its operations with the goal of significantly improving its financial performance. We continued to implement this program and identified opportunities for additional cost synergies as we integrated Snyder's-Lance.

In 2022, we expanded these initiatives as we continued to pursue cost savings by further optimizing our supply chain and manufacturing network and through effective cost management. In the second quarter of 2023, we announced plans to consolidate our Snacks offices in Charlotte, North Carolina, and Norwalk, Connecticut, into our headquarters in Camden, New Jersey.

A summary of the pre-tax charges recognized in the Consolidated Statements of Earnings related to these initiatives is as follows:

| | April 28, 2024 | | |
|---|---|---|---|
| **(Millions, except per share amounts)** | **Three Months Ended** | **Nine Months Ended** | **Total Program** |
| Restructuring charges | $ (3) | $ 1 | $ 297 |
| Administrative expenses | 13 | 47 | 437 |
| Cost of products sold | 3 | 9 | 128 |
| Marketing and selling expenses | 1 | 4 | 23 |
| Research and development expenses | 1 | 3 | 10 |
| Total pre-tax charges | $ 15 | $ 64 | $ 895 |
| | | | |
| Aggregate after-tax impact | $ 11 | $ 48 | |
| Per share impact | $ .04 | $ .16 | |

A summary of the pre-tax costs associated with these initiatives is as follows:

| **(Millions)** | **Total Program** |
|---|---|
| Severance pay and benefits | $ 253 |
| Asset impairment/accelerated depreciation | 134 |
| Implementation costs and other related costs | 508 |
| Total | $ 895 |

Of the aggregate $895 million pre-tax costs incurred, approximately $720 million were cash expenditures.

Segment operating results do not include restructuring charges, implementation costs and other related costs because we evaluate segment performance excluding such charges. A summary of the pre-tax costs associated with segments is as follows:

| (Millions) | | Total Program |
|---|---|---|
| Meals & Beverages | $ | 288 |
| Snacks | | 383 |
| Corporate | | 224 |
| Total | $ | 895 |

As of July 28, 2024, we substantially completed the multi-year cost savings initiatives and Snyder's-Lance cost transformation program and integration, and we generated total pre-tax savings of approximately $950 million. Certain phases that had not been fully implemented were incorporated into the 2025 cost savings initiatives described below.

*Sovos Brands Integration Initiatives*

On March 12, 2024, we completed the acquisition of Sovos Brands. See Note 3 to the Consolidated Financial Statements for additional information. We identified opportunities for cost synergies as we integrate Sovos Brands.

In the three-month period ended April 28, 2024, we recorded Restructuring charges of $16 million for severance pay and benefits related to initiatives to achieve the synergies. In 2024, we recorded Restructuring charges of $21 million for severance pay and benefits related to initiatives to achieve the synergies and generated pre-tax savings of $10 million. The charges incurred in 2024 were associated with the Meals & Beverages segment.

In 2025, the initiatives to achieve synergies were incorporated into the cost savings initiatives described below.

*2025 Cost Savings Initiatives*

On September 10, 2024, we announced plans to implement cost savings initiatives beginning in 2025, including initiatives to further optimize our supply chain and manufacturing network, optimization of our information technology infrastructure and targeted cost management. We also identified additional opportunities for cost synergies as we integrate Sovos Brands. As mentioned above, we substantially completed our previous multi-year cost savings initiatives and Snyder's-Lance cost transformation program and integration. Certain initiatives from that program have been incorporated into our 2025 cost savings initiatives. Cost estimates for the 2025 initiatives, as well as timing for certain activities, are continuing to be developed.

A summary of the pre-tax charges recorded in the Consolidated Statement of Earnings related to these initiatives is as follows:

| | April 27, 2025 | | | |
|---|---|---|---|---|
| (Millions, except per share amounts) | Three Months Ended | | Nine Months Ended | |
| Restructuring charges | $ | 6 | $ | 17 |
| Administrative expenses | | 7 | | 26 |
| Cost of products sold | | 7 | | 25 |
| Marketing and selling expenses | | — | | 2 |
| Research and development expenses | | 1 | | 3 |
| Total pre-tax charges | $ | 21 | $ | 73 |
| | | | | |
| Aggregate after-tax impact | $ | 16 | $ | 56 |
| Per share impact | $ | .05 | $ | .19 |

A summary of the pre-tax costs associated with the initiatives is as follows:

| (Millions) | Recognized as of April 27, 2025 | |
|---|---|---|
| Severance pay and benefits | $ | 17 |
| Asset impairment/accelerated depreciation | | 23 |
| Implementation costs and other related costs | | 33 |
| Total | $ | 73 |

The total estimated pre-tax costs for actions that have been identified to date are approximately $210 million, and we expect to incur substantially all of the costs through 2028. These estimates will be updated as the detailed plans are developed.

We expect the costs for the actions that have been identified to date to consist of the following: approximately $25 million in severance pay and benefits; approximately $55 million in asset impairment and accelerated depreciation; and approximately $130 million in implementation costs and other related costs. We expect these pre-tax costs to be associated with our segments as follows: Meals & Beverages - approximately 70%; Snacks - approximately 9% and Corporate - approximately 21%.

Of the aggregate $210 million of pre-tax costs identified to date, we expect approximately $150 million will be cash expenditures. In addition, we expect to invest approximately $215 million in capital expenditures, of which we invested $88 million as of April 27, 2025. The capital expenditures primarily relate to optimization of production within our manufacturing network, optimization of information technology infrastructure and applications and implementation of our existing SAP enterprise-resource planning system for Sovos Brands.

We expect the initiatives, once all phases are implemented, to generate annual ongoing savings of approximately $250 million by the end of 2028. As of April 27, 2025, we have generated total program-to-date pre-tax savings of $110 million.

Segment operating results do not include restructuring charges, implementation costs and other related costs because we evaluate segment performance excluding such charges. A summary of the pre-tax costs associated with segments is as follows:

| | April 27, 2025 | |
|---|---|---|
| (Millions) | Three Months Ended | Nine Months Ended |
| Meals & Beverages | $ 14 | $ 51 |
| Snacks | 5 | 10 |
| Corporate | 2 | 12 |
| Total | $ 21 | $ 73 |

*Other Optimization Initiatives*

In the second quarter of 2024, we began implementation of an initiative to improve the effectiveness of our Snacks direct-store-delivery route-to-market network. Pursuant to this initiative we will purchase certain Pepperidge Farm and Snyder's-Lance routes where there are opportunities to unlock greater scale in select markets, combine them and sell the combined routes to independent contractor distributors. We expect to execute this program in a staggered rollout and to incur expenses of up to approximately $115 million through 2029. In the three- and nine-month periods ended April 27, 2025, we incurred $9 million and $17 million in Marketing and selling expenses and $1 million in Administrative expenses related to this initiative, respectively. In the three- and nine-month periods ended April 28, 2024, we incurred $5 million in Marketing and selling expenses related to this initiative. As of April 27, 2025, we have incurred $22 million in Marketing and selling expenses and $1 million in Administrative expenses related to this initiative.

## LIQUIDITY AND CAPITAL RESOURCES

We expect foreseeable liquidity and capital resource requirements to be met through anticipated cash flows from operations; long-term borrowings; short-term borrowings, which may include commercial paper; credit facilities; and cash and cash equivalents. We believe that our sources of financing will be adequate to meet our future requirements.

***Operating Activities***

We generated cash flows from operations of $872 million in 2025, compared to $897 million in 2024. The decline in 2025 was primarily due to changes in working capital.

We had negative working capital of $623 million as of April 27, 2025, and $1.386 billion as of July 28, 2024. Current assets were less than current liabilities, which included debt maturing in one year, due to a focus on lowering core working capital requirements. Total debt maturing within one year was $799 million as of April 27, 2025, and $1.423 billion as of July 28, 2024.

As part of our focus to lower core working capital requirements, we have worked with our suppliers to optimize our terms and conditions, including the extension of payment terms. Our current payment terms with our suppliers, which we deem to be commercially reasonable, generally range from 0 to 120 days. We also maintain agreements with third-party administrators that allow participating suppliers to track payment obligations from us, and, at the sole discretion of the supplier, sell those payment obligations to participating financial institutions. Our obligations to our suppliers, including amounts due and scheduled payment terms, are not impacted. Supplier participation in these agreements is voluntary. We have no economic interest in a supplier's decision to enter into these agreements and no direct financial relationship with the financial institutions. We have not pledged assets as security or provided any guarantees in connection with these arrangements. The payment of these obligations is included in cash provided by operating activities in the Consolidated Statements of Cash Flows. Amounts outstanding under these programs, which are included in Accounts payable on the Consolidated Balance Sheets, were approximately $254 million at April 27, 2025 and $243 million at July 28, 2024.

***Investing Activities***

Capital expenditures were $296 million in 2025 and $376 million in 2024. Capital expenditures in 2025 included chip and cracker capacity expansion for our Snacks business, network optimization for our Meals & Beverages business and enhancements to our headquarters in Camden, New Jersey. Capital expenditures are expected to total approximately $450 million in 2025.

In Snacks, we have a direct-store-delivery distribution model that uses independent contractor distributors. From time to time, we purchase and sell routes, including certain routes under our optimization initiatives. The purchase and sale proceeds of the routes are reflected in investing activities.

On August 26, 2024, we sold our Pop Secret popcorn business for $70 million and on February 24, 2025, we sold the noosa yoghurt business for $188 million, subject to certain customary purchase price adjustments.

On March 12, 2024, we completed the acquisition of Sovos Brands. Cash consideration was $2.857 billion. The acquisition was funded through the 2024 DDTL Credit Agreement of $2 billion and cash on hand.

***Financing Activities***

Dividend payments were $343 million in 2025 and $334 million in 2024. The regular quarterly dividend paid on our capital stock was $.39 and $.37 per share in the third quarter of 2025 and 2024, respectively. On February 26, 2025, the Board of Directors declared a regular quarterly dividend of $.39 per share payable on April 28, 2025 to shareholders of record at the close of business on April 3, 2025. On May 13, 2025, the Board of Directors declared a regular quarterly dividend of $.39 per share payable on August 4, 2025 to shareholders of record at the close of business on July 3, 2025.

In September 2021, the Board approved a strategic share repurchase program of up to $500 million (September 2021 program). The September 2021 program has no expiration date, but it may be suspended or discontinued at any time. Repurchases under the September 2021 program may be made in open-market or privately negotiated transactions. In September 2024, the Board authorized an anti-dilutive share repurchase program of up to $250 million (September 2024 program) to offset the impact of dilution from shares issued under our stock compensation programs. The September 2024 program has no expiration date, but it may be suspended or discontinued at any time. Repurchases under the September 2024 program may be made in open-market or privately negotiated transactions. The September 2024 program replaced an anti-dilutive share repurchase program of up to $250 million that was approved by the Board in June 2021 and has been terminated. During the nine-month periods ended April 27, 2025 and April 28, 2024, we repurchased 1.247 million shares at a cost of $60 million and 1.08 million shares at a cost of $46 million, respectively, pursuant to our anti-dilutive share repurchase programs. As of April 27, 2025, approximately $200 million remained available under the September 2024 program and approximately $301 million remained available under the September 2021 program. See Note 15 to the Consolidated Financial Statements and "Unregistered Sales of Equity Securities and Use of Proceeds" for additional information.

On October 10, 2023, we entered into the 2024 DDTL Credit Agreement totaling up to $2 billion scheduled to mature on October 8, 2024. Loans under the 2024 DDTL Credit Agreement bear interest at the rates specified in the 2024 DDTL Credit Agreement, which vary based on the type of loan and certain other conditions. The 2024 DDTL Credit Agreement contains customary representations and warranties, affirmative and negative covenants, including a financial covenant with respect to a minimum consolidated interest coverage ratio of consolidated adjusted EBITDA to consolidated interest expense (as each is defined in the 2024 DDTL Credit Agreement) of not less than 3.25:1.00, and events of default for credit facilities of this type. The proceeds of the loans under the 2024 DDTL Credit Agreement could only be used in connection with the acquisition of Sovos Brands and the payment of fees and expenses incurred in connection therewith. On March 12, 2024, we borrowed $2 billion under the 2024 DDTL Credit Agreement and used the proceeds in order to fund the acquisition of Sovos Brands, along with the fees and expenses incurred in connection therewith.

In August 2023, we filed a registration statement with the Securities and Exchange Commission that registered an indeterminate amount of debt securities. Under the registration statement we may issue debt securities from time to time, depending on market conditions.

On October 2, 2024, pursuant to the registration statement, we completed the issuance of senior unsecured notes of $1.15 billion, consisting of:

- $800 million aggregate principal amount of notes bearing interest at a fixed rate of 4.75% per annum, due March 23, 2035, with interest payable semi-annually on each of March 23 and September 23 commencing March 23, 2025; and
- $350 million aggregate principal amount of notes bearing interest at a fixed rate of 5.25% per annum, due October 13, 2054, with interest payable semi-annually on each of April 13 and October 13 commencing April 13, 2025.

The notes contain customary covenants and events of default. If a change of control triggering event occurs, we will be required to offer to purchase the notes at a purchase price equal to 101% of the principal amount plus accrued and unpaid interest, if any, to the purchase date. In October 2024, we used a portion of the net proceeds from the issuance of the notes to repay $200 million of the $400 million outstanding under our 2022 Delayed Draw Term Loan Credit Agreement (the 2022 DDTL Credit Agreement) due November 15, 2025 and a portion of our outstanding commercial paper. In November 2024, we repaid the remaining $200 million outstanding under the 2022 DDTL Credit Agreement. In March 2025, we used a portion of the net proceeds from the issuance of the notes along with cash on hand and the issuance of commercial paper to repay a $1.15 billion aggregate principal amount of senior notes that matured in March 2025.

On March 19, 2024, pursuant to the registration statement, we issued senior unsecured notes of $2.5 billion, consisting of:

- $400 million aggregate principal amount of notes bearing interest at a fixed rate of 5.30% per annum, due March 20, 2026, with interest payable semi-annually on each of March 20 and September 20 commencing September 20, 2024;
- $500 million aggregate principal amount of notes bearing interest at a fixed rate of 5.20% per annum, due March 19, 2027, with interest payable semi-annually on each of March 19 and September 19 commencing September 19, 2024;
- $600 million aggregate principal amount of notes bearing interest at a fixed rate of 5.20% per annum, due March 21, 2029, with interest payable semi-annually on each of March 21 and September 21 commencing September 21, 2024; and
- $1 billion aggregate principal amount of notes bearing interest at a fixed rate of 5.40% per annum, due March 21, 2034, with interest payable semi-annually on each of March 21 and September 21 commencing September 21, 2024.

The notes contain customary covenants and events of default. If a change of control triggering event occurs, we will be required to offer to purchase the notes at a purchase price equal to 101% of the principal amount plus accrued and unpaid interest, if any, to the purchase date. We used the net proceeds from the sale of the notes to repay the $2 billion of outstanding borrowings under the 2024 DDTL Credit Agreement used to fund the Sovos Brands acquisition, including fees and expenses in connection therewith, and the remainder of the net proceeds to repay commercial paper.

On April 5, 2024, we repaid $100 million of the $500 million outstanding under the 2022 DDTL Credit Agreement due November 15, 2025.

As of April 27, 2025, we had $799 million of short-term borrowings due within one year, of which $370 million was comprised of commercial paper borrowings. As of April 27, 2025, we issued $27 million of standby letters of credit.

On April 16, 2024, we entered into a Five-Year Credit Agreement for an unsecured, senior revolving credit facility (the 2024 Revolving Credit Facility Agreement) in an aggregate principal amount equal to $1.85 billion with a maturity date of April 16, 2029 or such later date as extended pursuant to the terms set forth in the 2024 Revolving Credit Facility Agreement. The 2024 Revolving Credit Facility Agreement remained unused at April 27, 2025, except for $1 million of standby letters of credit that we issued under it. We may increase the 2024 Revolving Credit Facility Agreement commitments up to an additional $500 million, subject to the satisfaction of certain conditions. Loans under the 2024 Revolving Credit Facility Agreement will bear interest at the rates specified in the 2024 Revolving Credit Facility Agreement, which vary based on the type of loan and certain other conditions. The 2024 Revolving Credit Facility Agreement contains customary covenants, including a financial covenant with respect to a minimum consolidated interest coverage ratio of consolidated adjusted EBITDA to consolidated interest expense of not less than 3.25:1.00, and customary events of default for credit facilities of this type. The facility supports our commercial paper program and other general corporate purposes. We expect to continue to access the commercial paper markets, bank credit lines and utilize cash flows from operations to support our short-term liquidity requirements.

We are in compliance with the covenants contained in our credit facilities and debt securities.

## CRITICAL ACCOUNTING ESTIMATES

We prepare our consolidated financial statements in conformity with accounting principles generally accepted in the United States. The preparation of these financial statements requires the use of estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the periods presented. Actual results could differ from those estimates and assumptions. Our significant accounting policies are described in Note 1 to the Consolidated Financial Statements in the Annual Report on Form 10-K for the year ended July 28, 2024 (2024 Annual Report on Form 10-K). The accounting policies we used in preparing these financial statements are substantially consistent with those we applied in our 2024 Annual Report on Form 10-K. The following areas all require the use of subjective or complex judgments, estimates or assumptions: trade and consumer promotion programs; the valuation of long-lived assets; pension and postretirement benefits and income taxes. Our critical accounting estimates are described in Management's Discussion and Analysis included in the 2024 Annual Report on Form 10-K.

***Valuation of long-lived assets*** — The valuation of long-lived assets is an area that requires the use of subjective or complex judgments, estimates and assumptions. Goodwill and intangible assets deemed to have indefinite lives are not amortized but rather are tested at least annually in the fourth quarter for impairment, or more often if events or changes in circumstances indicate that the carrying amount of the asset may be impaired.

*Second Quarter Assessment*

During the second quarter of 2025, we performed an interim impairment assessment on certain salty snacks and cookie trademarks within our Snacks segment, including *Tom's*, *Jays*, *Kruncher's*, *O-Ke-Doke*, *Stella D'oro* and *Archway*, collectively referred to as our "Allied brands." In 2025, sales performance was below expectations. In the second quarter of 2025, based on recent performance, we lowered our long-term outlook and recognized an impairment charge of $15 million on the Allied brands trademarks, reducing the carrying value to $28 million.

During the second quarter of 2025, we performed an interim impairment assessment on the *Late July* trademark within our Snacks segment. In 2025, sales performance was below expectations. In the second quarter of 2025, based on recent performance, we lowered our long-term outlook and recognized an impairment charge of $11 million on the trademark, reducing the carrying value to $47 million.

*Third Quarter Assessment*

During the third quarter of 2025, we performed an interim impairment assessment on the *Snyder's of Hanover* trademark within our Snacks segment. In 2025, sales and operating performance were below expectations. In the third quarter of 2025, based on recent performance, we lowered our long-term outlook and recognized an impairment charge of $150 million on the trademark, reducing the carrying value to $470 million.

The impairment charges were recorded in Other expenses / (income) in the Consolidated Statement of Earnings.

As of April 27, 2025, the carrying value of indefinite-lived trademarks was $3.678 billion as detailed below:

| (Millions) | | |
|---|---|---|
| *Rao's* | $ | 1,470 |
| *Snyder's of Hanover* | | 470 |
| *Lance* | | 350 |
| *Kettle Brand* | | 318 |
| *Pace* | | 292 |
| *Pacific Foods* | | 280 |
| *Cape Cod* | | 187 |
| Various other Snacks[1] | | 311 |
| Total | $ | 3,678 |

[1] Includes the *Late July* and Allied brands trademarks.

The $1.47 billion carrying value of the *Rao's* trademark associated with the Sovos Brands acquisition approximates fair value. Holding all other assumptions used in the acquisition valuation measurement constant, changes in the assumptions below would reduce the fair value of this trademark and result in impairment charges of approximately:

| (Millions) | | *Rao's* |
|---|---|---|
| 1% increase in the weighted-average cost of capital | $ | 215 |
| 1% reduction in revenue growth | $ | 95 |
| 1% decrease in royalty rate | $ | 155 |

Excluding the carrying value of the *Rao's* trademark, based on the 2024 annual impairment testing and interim assessments described above, indefinite-lived trademarks with approximately 10% or less of excess coverage of fair value over carrying value had an aggregate carrying value of $1.117 billion as of April 27, 2025, and included the *Snyder's of Hanover*, *Pace*, *Pacific Foods, Late July* and Allied brands trademarks.

Although assumptions are generally interdependent and do not change in isolation, sensitivities to changes are provided below. Holding all other assumptions in our impairment assessments constant, changes in the assumptions below would reduce fair value of trademarks and result in impairment charges of approximately:

| (Millions) | *Snyder's of Hanover*[1] | *Pace*[2] | *Pacific Foods*[2] | Allied brands[1] | *Late July*[1] |
|---|---|---|---|---|---|
| 1% increase in the weighted-average cost of capital | $ 80 | $ 10 | $ 40 | $ 5 | $ 10 |
| 1% reduction in revenue growth | $ 35 | $ — | $ 15 | $ 5 | $ 5 |
| 1% decrease in royalty rate | $ 60 | $ 5 | $ 45 | $ 10 | $ 25 |

(1) Based on 2025 interim impairment testing.

(2) Based on 2024 annual impairment testing.

While the 1% changes in assumptions would not result in impairment charges on our other trademarks, some changes would reduce the excess coverage of fair value over carrying value to less than 10% for the *Cape Cod* trademark.

The estimates of future cash flows used in impairment testing are made at a point in time, involve considerable management judgment, and are based upon assumptions about expected future operating performance, assumed royalty rates, economic conditions, market conditions and cost of capital. Inherent in estimating the future cash flows are uncertainties beyond our control, such as changes in capital markets. The actual cash flows could differ materially from management's estimates due to changes in business conditions, operating performance and economic conditions, including the potential impact of tariffs. If our assumptions change or market conditions decline, potential impairment charges could result.

**RECENT ACCOUNTING PRONOUNCEMENTS**

See Note 2 to the Consolidated Financial Statements for information on recent accounting pronouncements.

**FORWARD-LOOKING STATEMENTS**

This Report contains "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect our current expectations regarding our future results of operations, economic performance, financial condition and achievements. These forward-looking statements can be identified by words such as "anticipate," "believe," "estimate," "expect," "intend," "plan," "pursue," "strategy," "target," "will" and similar expressions. One can also identify forward-looking statements by the fact that they do not relate strictly to historical or current facts, and may reflect anticipated cost savings or implementation of our strategic plan. These statements reflect our current plans and expectations and are based on information currently available to us. They rely on several assumptions regarding future events and estimates which could be inaccurate and which are inherently subject to risks and uncertainties.

We wish to caution the reader that the following important factors and those important factors described in our other Securities and Exchange Commission filings, or in our 2024 Annual Report on Form 10-K, could affect our actual results and could cause such results to vary materially from those expressed in any forward-looking statements made by, or on behalf of, us:

- the risks associated with imposed and threatened tariffs by the U.S. and reciprocal tariffs by its trading partners;
- the risks related to the availability of, and cost inflation in, supply chain inputs, including labor, raw materials, commodities, packaging and transportation, including those related to tariffs;
- disruptions in or inefficiencies to our supply chain and/or operations, including reliance on key contract manufacturer and supplier relationships;
- declines or volatility in financial markets, deteriorating economic conditions and other external factors, including the impact and application of new or changes to existing governmental laws, regulations, and policies;
- our ability to execute on and realize the expected benefits from our strategy, including growing sales in snacks and growing/maintaining our market share position in soup;
- the impact of strong competitive responses to our efforts to leverage brand power with product innovation, promotional programs and new advertising;
- the risks associated with trade and consumer acceptance of product improvements, shelving initiatives, new products and pricing and promotional strategies;
- changes in consumer demand for our products and favorable perception of our brands;

- the risk that the cost savings and any other synergies from the Sovos Brands transaction may not be fully realized or may take longer or cost more to be realized than expected, including that the Sovos Brands transaction may not be accretive within the expected timeframe or the extent anticipated;
- our ability to realize projected cost savings and benefits from cost savings initiatives and the integration of recent acquisitions;
- risks related to the effectiveness of our hedging activities and our ability to respond to volatility in commodity prices;
- our ability to manage changes to our organizational structure and/or business processes, including selling, distribution, manufacturing and information management systems or processes;
- changing inventory management practices by certain of our key customers;
- a changing customer landscape, with value and e-commerce retailers expanding their market presence, while certain of our key customers maintain significance to our business;
- product quality and safety issues, including recalls and product liabilities;
- the possible disruption to the independent contractor distribution models used by certain of our businesses, including as a result of litigation or regulatory actions affecting their independent contractor classification;
- the uncertainties of litigation and regulatory actions against us;
- a disruption, failure or security breach of our or our vendors' information technology systems, including ransomware attacks;
- impairment to goodwill or other intangible assets;
- our ability to protect our intellectual property rights;
- increased liabilities and costs related to our defined benefit pension plans;
- our ability to attract and retain key talent;
- goals and initiatives related to, and the impacts of, climate change, including from weather-related events;
- the costs, disruption and diversion of management's attention associated with activist investors;
- our indebtedness and ability to pay such indebtedness; and
- unforeseen business disruptions or other impacts due to political instability, civil disobedience, terrorism, geopolitical conflicts, extreme weather conditions, natural disasters, pandemics or other outbreaks of disease or other calamities.

This discussion of uncertainties is by no means exhaustive but is designed to highlight important factors that may impact our outlook. We disclaim any obligation or intent to update forward-looking statements made by us in order to reflect new information, events or circumstances after the date they are made.

**Item 3.** ***Quantitative and Qualitative Disclosure About Market Risk***

For information regarding our exposure to certain market risk, see Item 7A, Quantitative and Qualitative Disclosure About Market Risk, in the 2024 Annual Report on Form 10-K.

**Item 4.** ***Controls and Procedures***

a. Evaluation of Disclosure Controls and Procedure

We, under the supervision and with the participation of our management, including the President and Chief Executive Officer and the Executive Vice President and Chief Financial Officer, have evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of April 27, 2025 (Evaluation Date). Based on such evaluation, the President and Chief Executive Officer and the Executive Vice President and Chief Financial Officer have concluded that, as of the Evaluation Date, our disclosure controls and procedures are effective.

b. Changes in Internal Control

There were no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended) that materially affected, or are likely to materially affect, such internal control over financial reporting during the quarter ended April 27, 2025.

## PART II - OTHER INFORMATION

**Item 1.** ***Legal Proceedings***

Information regarding reportable legal proceedings is contained in Note 17 to the Consolidated Financial Statements and incorporated herein by reference.

**Item 2.** ***Unregistered Sales of Equity Securities and Use of Proceeds***

Our share repurchase activity in the three months ended April 27, 2025 was:

| Period | Total Number of Shares Purchased (1) | | Average Price Paid Per Share (2) | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (3) | | Approximate Dollar Value of Shares that may yet be Purchased Under the Plans or Programs ($ in Millions) (3) |
|---|---|---|---|---|---|---|
| **1/27/25 - 2/28/25** | — | $ | — | — | $ | 50 |
| **3/3/25 - 3/31/25** | 97,330 | $ | 40.19 | 97,330 | $ | 50 |
| **4/1/25 - 4/25/25** | 15,622 | $ | 39.79 | 15,622 | $ | 50 |
| **Total** | 112,952 | $ | 40.14 | 112,952 | $ | 50 |

(1) Shares purchased are as of the trade date.

(2) Average price paid per share is calculated on a settlement basis and excludes commission and excise tax. As of January 1, 2023, our share repurchases in excess of issuances are subject to a 1% excise tax enacted by the Inflation Reduction Act. Any excise tax incurred is recognized as part of the cost basis of the shares acquired in the Consolidated Statements of Equity.

(3) In September 2021, the Board approved a strategic share repurchase program of up to $500 million (September 2021 program). The September 2021 program has no expiration date, but it may be suspended or discontinued at any time. Repurchases under the September 2021 program may be made in open-market or privately negotiated transactions. In September 2024, the Board authorized an anti-dilutive share repurchase program of up to $250 million (September 2024 program) to offset the impact of dilution from shares issued under our stock compensation programs. The September 2024 program has no expiration date, but it may be suspended or discontinued at any time. Repurchases under the September 2024 program may be made in open-market or privately negotiated transactions. The September 2024 program replaced an anti-dilutive share repurchase program of up to $250 million that was approved by the Board in June 2021 and has been terminated.

**Item 5.** ***Other Information***

During the quarter ended April 27, 2025, none of our directors or officers (as defined in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended) adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement" in accordance with Item 408 of Regulation S-K of the Securities Act.

**Item 6.** ***Exhibits***

The Index to Exhibits, which immediately precedes the signature page, is incorporated by reference into this Report.

INDEX TO EXHIBITS

| | |
|---|---|
| 31.1 | Certification of Mick J. Beekhuizen pursuant to Rule 13a-14(a). |
| 31.2 | Certification of Carrie L. Anderson pursuant to Rule 13a-14(a). |
| 32.1 | Certification of Mick J. Beekhuizen pursuant to 18 U.S.C. Section 1350. |
| 32.2 | Certification of Carrie L. Anderson pursuant to 18 U.S.C. Section 1350. |
| 101.INS | Inline XBRL Instance Document - the instance document does not appear on the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document. |
| 101.SCH | Inline XBRL Extension Schema Document. |
| 101.CAL | Inline XBRL Extension Calculation Linkbase Document. |
| 101.DEF | Inline XBRL Extension Definition Linkbase Document. |
| 101.LAB | Inline XBRL Extension Label Linkbase Document. |
| 101.PRE | Inline XBRL Extension Presentation Linkbase Document. |
| 104 | The cover page from this Quarterly Report on Form 10-Q, formatted in Inline XBRL (included in Exhibit 101). |

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

June 2, 2025

**THE CAMPBELL'S COMPANY**

By: /s/ Carrie L. Anderson
Carrie L. Anderson
Executive Vice President and Chief Financial Officer

By: /s/ Stanley Polomski
Stanley Polomski
Senior Vice President and Controller

**EXHIBIT 31.1**

**CERTIFICATION PURSUANT
TO RULE 13a-14(a)**

I, Mick J. Beekhuizen, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of The Campbell's Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 2, 2025

By: /s/ Mick J. Beekhuizen

Name: Mick J. Beekhuizen
Title: President and Chief Executive Officer

**EXHIBIT 31.2**

**CERTIFICATION PURSUANT**
**TO RULE 13a-14(a)**

I, Carrie L. Anderson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of The Campbell's Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: June 2, 2025

By: /s/ Carrie L. Anderson
Name: Carrie L. Anderson
Title: Executive Vice President and Chief Financial Officer

**EXHIBIT 32.1**

**CERTIFICATION PURSUANT TO**
**18 U.S.C. SECTION 1350**

In connection with the Quarterly Report of The Campbell's Company (the “Company”) on Form 10-Q for the fiscal quarter ended April 27, 2025 (the “Report”), I, Mick J. Beekhuizen, President and Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 2, 2025

By: /s/ Mick J. Beekhuizen

Name: Mick J. Beekhuizen
Title: President and Chief Executive Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

A signed original of this written statement required under Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**EXHIBIT 32.2**

**CERTIFICATION PURSUANT TO**
**18 U.S.C. SECTION 1350**

In connection with the Quarterly Report of The Campbell's Company (the “Company”) on Form 10-Q for the fiscal quarter ended April 27, 2025 (the “Report”), I, Carrie L. Anderson, Executive Vice President and Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 2, 2025

By: /s/ Carrie L. Anderson

Name: Carrie L. Anderson
Title: Executive Vice President and Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

A signed original of this written statement required under Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.