



Campbell Soup – CSR Checkpoint for SRI Stakeholders

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Campbell's

®

Investor Update

**Jennifer Driscoll
Vice President –
Investor Relations**

May 4, 2010

We Are Following These Seven Strategies

our strategies

1. Expand our icon brands within simple meals, baked snacks and healthy beverages

2. Drive higher levels of consumer satisfaction by offering superior value and focusing on wellness, quality and convenience

3. Make our products more broadly available in existing and new markets

4. Strengthen our business through outside partnerships and acquisitions

5. Increase margins by improving price realization and company-wide productivity

6. Improve overall organizational excellence, diversity, engagement, and innovation

7. Advance a powerful commitment to sustainability and corporate social responsibility



2010 Financial Summary

- First-half EPS rose 14% despite difficult operating environment
- We increased margins, boosted EBIT and improved cash flow while advancing our strategic initiatives

	<u>Second Quarter</u>	<u>% Change</u>	<u>Fiscal YTD</u>	<u>% Change</u>
Net Sales	\$ 2,153	1%	\$ 4,356	--%
<i>Organic Net Sales*</i>		-3%		-3%
EBIT	\$ 391	8% *	\$ 869	9% *
EPS - Diluted	\$ 0.74	16%	\$ 1.61	14% *

* Adjusted, see Non-GAAP reconciliation

(\$ millions, except per share)



Immediate Response to Soup Trends

- “Chunky” marketing showcases product upgrades, \$5 coupons
- Maintaining appropriate levels of merchandising, promotions
- Leaning in to what’s working: condensed soup
- Reframing microwaveable soup as brown-bag option



Long-Term Brand & Category-Building Efforts

- Firing up our condensed business
- Reinvesting in the brand & category
- Emphasizing the goodness of soup
 - Performance of Healthy Request and low-sodium tomato soup indicate health & wellness matters
- Planning an umbrella advertising campaign
- Driving traffic to Campbell'sKitchen.com
- Continuing our program of product innovation



A Broad Portfolio Strong in Health & Wellness

- Strength from Arnott's business in Australia
- Volume growth at Pepperidge Farm
 - Best ever Super Bowl performance for Goldfish crackers
 - Strength of Goldfish brand extends beyond savory crackers
 - Acquisition of Ecce Panis, Inc.
- Success of V8 V Fusion
- U.S. soup is less than 1/3 of total sales



Campbell Fiscal 2010 Guidance

Growth Rate

Net sales	2.5-3.5%
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Adjusted EBIT*	6-7%
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Adjusted net earnings per share*	9-11%
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- Versus fiscal 2009 adjusted base of \$2.21*

- Guidance is as provided on 2/22; not a reiteration of guidance
- See Non-GAAP reconciliation



Questions & Answers



CSR and Sustainability Strategy Update

- Key Policy Advances

- Published Environmental Sustainability Policy
- Published Human Rights Principles
- Published Political Accountability Guidelines
- Endorsed UN Global Compact



Code of Ethics for the CEO and Senior Financial Officers

This Code for the CEO and Senior Financial Officers is designed to promote honest and ethical conduct, maintain the Company's commitment to integrity and require compliance with applicable laws, rules and regulations. [\[GO\]](#)

Campbell Soup Company Environmental Sustainability Policy

Campbell is committed to conserving natural resources through eco-efficient management strategies, performance metrics and continuous improvement focused in areas that are important to our long-term business success: energy and water use, waste generation and recycling, sustainable packaging, sustainable agriculture, and supply chain optimization. [\[GO\]](#)

Campbell Soup Company Political Accountability Guidelines

Campbell actively monitors and participates in public policy development related to our business. These guidelines outline accountabilities pertaining to our engagement in public policy. [\[GO\]](#)

Commitment Concerning Advertising to Children (US)

To help families encourage their children to make healthy lifestyle and dietary choices, Campbell participates in the Council of Better Business Bureaus' Children's Food and Beverage Advertising Initiative in the United States. [\[GO\]](#)

Campbell Soup Company Human Rights Principles

These Principles reflect the way we conduct our business on a global basis. They are applicable to all Campbell Soup Company employees, worldwide. [\[GO\]](#)

Insider Transactions

This part contains recent SEC filings by directors and executive officers reporting transactions in Campbell stock. [\[GO\]](#)



Evolving the Campbell's Long-term Approach



Winning in the Workplace — Placing the right people in the right positions, and creating a high-performance culture with world-class levels of employee engagement.

Winning in the Marketplace — Delivering above-average total shareholder returns by meeting the needs of our consumers and customers better, faster, more completely and more uniquely than anyone else.

Winning in the Community — Building on Campbell's long tradition of responsible corporate citizenship, particularly in the areas of community service and environmental sustainability.

Winning with Integrity — Conducting our business in compliance with all applicable laws and regulations, and in accordance with the highest standards of honesty, fairness and ethical business conduct.

Integration in our Annual Performance Scorecard

Campbell Scorecard	
	Maintain/Improve World-class level of Organizational Employee Engagement
	Several specific Wellness and Nutrition objectives and targets
	Defining and communicating long-term CSR Directional Goals
	Proposing initial environmental targets
	Improve Campbell's global safety performance
	Supplier Diversity spending goals
	Diversity and Inclusion strategic milestones
	Improving hiring, promotion and retention rates for women
	Defining baseline metrics in packaging.
	Defining baseline metrics in agriculture
	Driving alignment to supplier sustainability strategies adopted by Campbell customers
	Establishing and integrating Nourishing our Neighbors (Community CSR Platform)
	Publishing our second CSR Report
	Expanding engagement with socially responsible investors.



The CSR Governance Structure



Campbell's CSR Corporate Imperative Agenda

Campbell Mission - *“Together we will build the world’s most extraordinary food company by nourishing people’s lives everywhere, every day.”*

CSR Vision - *“Build the most extraordinary CSR Strategy and Culture in our industry“*



- Anchored in our core competencies and pillars
- Driven by objectives and our associates' innovation
- Activated by key destinational goals



CSR 2020 Destination Goals

Nourishing Our Consumers

- Continually advance the **nutrition and wellness** profile of our products

Nourishing Our Neighbors

- Measurably improve the **health of young people** in our hometown communities by reducing hunger and childhood obesity by 50%.
- Make a positive impact in the lives of 100 million youth through our volunteer, community and signature programs

Nourishing Our Employees

- Achieve **100% employee engagement** in CSR and sustainability



CSR 2020 Destination Goals

Nourishing Our Planet

- Cut the **environmental footprint** of our product portfolio in half (water and GHG emissions/tonne product produced)
- Reduce **energy use by 35%** per tonne of product produced, and source 40% of the energy used by the company from renewable or alternative energy sources
- **Recycle 95% of waste** generated on a global basis
- **Deliver 75% of global packaging** from sustainable materials (renewable, recyclable, or from recycled content)
- Obtain 50% of company revenue from products utilizing packaging with an improved environmental footprint (material reduction and/or substitution and supply chain efficiencies)
- Reduce water use by 20% and energy use by 30% per pound in our top five agricultural ingredients



Consumers and Customers

- Total number of soups with **advanced sodium reduction** now more than 90
- **New Light soups** in both *Campbell's Condensed* and *Campbell's Select Harvest* lines.
- More Pepperidge Farm bakery products certified by the **American Heart Association** than any other bakery company
- Offered 100+ product varieties that meet requirements for **Canada's Heart and Stroke Foundation Health Check™**
- Joined the **Healthy Weight Commitment Foundation** to help reduce obesity in the U.S. by 2015
- Contributed another \$250,000 (for a total of \$500,000) to the **National FFA Organization** to support scholarships for tomorrow's leaders in sustainable agriculture.
- Worked with the National FFA and Urban Farming Inc. to create five **community gardens** in urban communities across the U.S.
- Launched **ideaNET**, an internal employee idea generation and innovation platform



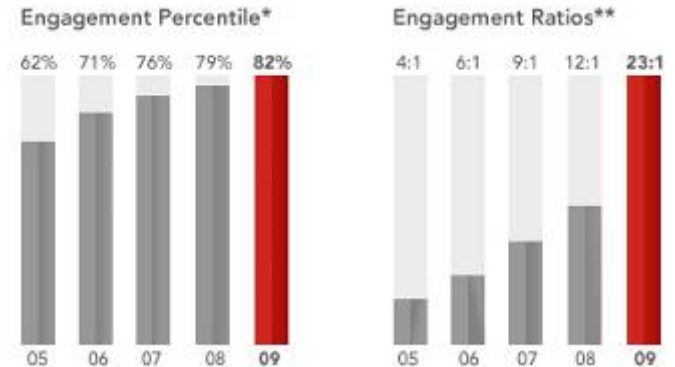
Nourishing our Neighbors

- Launched the “**Nourishing Our Neighbors**” community platform and portal
- Logged **14,000 volunteer hours** in the U.S.
- Reached more than **1.8 million moms** with our *Fishful Thinking* program
- Provided constructive summer activities for more than **10,000 Camden young people** as part of the Campbell Soup Foundation’s Summer Program
- Distributed more than **\$20 million in product donations** across the globe
- Collected **73.4 million pounds of food** during the annual *Stamp Out Hunger* food drive
- Awarded **\$2.5 million worth of equipment** to schools through *Labels for Education*



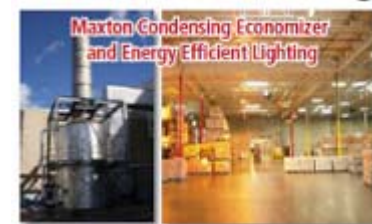
The Campbell Workplace

- Achieved a **world-class employee engagement ratio** of 23:1
- Received the prestigious **Catalyst award** for our work with women in the workplace
- **40% of Campbell employees are women** and 44% of new hires in 2009 were women
- Were one of 17 U.S. companies to earn a 2009 Platinum Award from The **National Business Group on Health**
- Exceeded **safety benchmarks** in the food industry
- Spent **\$140 million** with women and minority-owned businesses (2010 goal of \$155M)
- Provided **\$1.4 million worldwide in tuition assistance**
- Seven Business Resource **Affinity Networks**



Nourishing our Planet

- Established a set of **Sustainable Packaging Principles**
- Invested more than **\$6 million** in Environmental Sustainability Projects
- Eliminated more than **3.5 million pounds** of steel and 1 million pounds of fiber while saving more than **\$4.5 million**.
- **Recycled more than 84%** of the waste we generated
- Reduced **water use** per tonne of food produced by more than 9% from 2008
- Generated fewer **greenhouse gasses per tonne of food produced** than in 2008
- **Named to Dow Jones Sustainability Indexes & upgraded to “A”** by RiskMetrics and KLD



Campbell Environmental Dashboard



CSR and Sustainability KPI's

Economic (\$ millions)	2007	2008	2009
-Net Sales	7,385	7,998	7,586
-Earnings Before Interest and Taxes	1,243	1,098	1,185
-Taxes on Earnings	307	268	347
-Dividends Paid	308	329	350
-Capital Expenditures	334	298	345
-Research and Development	111	115	114
-Nutrition and Wellness** Product Portfolio (revenue)	1291	1720	2,029
-Nutrition and Wellness revenue/total revenue	16.4	21.5	26.8
Environmental			
-Water Use (Gross 000 gal)		7,829,355	7,050,749
-Water Use Cu. Meter/tonne of Food Produced		10.33	9.35
-Energy Use (mmbtu)		10,239,863	10,276,947
-Energy Use (mmbtu)/tonne of Food Produced		3.57	3.60
-Greenhouse Gas (GHG) Emissions (MMTCO2)		899,537	879,084
-GHG Emissions/tonne of Food Produced		0.313	0.308
-Solid Waste Recycled (%)		64*	84.5
-Capital Investment in Environmental and Sustainability Proj. (\$mill)		12.3	15.1
Social			
-Employee Engagement Ratio	9:1	12:1	23:1
-Supplier Diversity spends (\$mill)	129	136	140
-Recordable Case Rate	4.30	3.10	2.76
-Lost Day Case Rate	0.61	0.46	0.33
-Women in Global Workforce			44%
-Woman in Global Leadership Positions			33%
-Charitable Giving including In Kind (\$mill)			32.6
-Food or In Kind Donations (\$mill)	13.2	18.4	21.5
-Tuition Assistance Paid (\$mill)			1.4
-Health Care Expense U.S. (\$mill)	98.4	102.3	100.6
-Pension and Post-Retirement Medical Expense U.S.	57	54	53
-Savings Plan Contributions	17	18	18



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- ➔ [Company History & Prof...](#)
- ➔ [Campbell's Consumer Promis...](#)
- ➔ [Nourishing Our Neighbors](#)
- ➔ [Environmental Stewardship](#)
- ➔ [Extraordinary Workplace, E...](#)

➔ **Reports & Case Studies**

- [Campbell CSR Strategy Checkpoint - May 2009](#)

- [Pepperidge Farm Fuel Cell Project](#)

- [A Commitment to Sustainable Packaging](#)

- [Nourishing People's Lives - 2008 CSR Report](#)

- [View All](#)

➔ Profile www.campbellsoupcompany.justmeans.com



Campbell Soup Company
Camden, New Jersey
<http://www.campbellsoup.com>

Follow

➔ **Aspiring to be Extraordinary**

Three years ago, we adopted a Mission Statement that succinctly expresses our company's purpose and inspires us to deliver safe, high-quality products that people can trust.

Our Mission:

Together we will build the world's most extraordinary food company by nourishing people's lives everywhere, every day.

Embedded in our Mission Statement are four overarching themes. First, "nourishing people's lives" affirms our responsibility to nourish the lives of our consumers, employees, communities and other stakeholders. Second, "building

➔ **Campbell Soup Company Videos**



Campbell, FFA and Danny Seo Promote Urban and Backyard Gardening



Campbell's Help Grow Your Soup - Community Gardens



Campbell's and Students in Free Enterprise - Let's Can Hunger

➔ **Company Articles**

Campbell Soup Foundation Kicks Off 35th Youth Summer Program with \$400,000 Donation
Posted On June 04, 2009

Help Hunger Disappear(TM) on National Hunger Awareness Day (June 2, 2009)
Posted On June 01, 2009

Campbell Valuing Scholars 2009
Posted On June 01, 2009

Pepperidge Farm Employees Clean up Norwalk Beaches as Service to Hometown
Posted On May 20, 2009

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Wrap Up

- Beginning of a long-term journey to align Heritage, Unique Capabilities, Consumer Promise with the power of CSR/Sustainability Innovation
- Campbell 2010 CSR Report
- Engagement across business, sector and public



Thank You



Appendix



Reconciliation of GAAP and Non-GAAP Financial Measures

Net Sales For the Three Months Ended (millions)

Second Quarter <u>January 31, 2010</u>	Net Sales, As Reported	Impact of Divestitures	Impact of Acquisitions	Impact of Currency	Organic Net Sales	% Change	
						Net Sales, As Reported	Organic Net Sales
U.S. Soup, Sauces and Beverages	\$ 1,068	\$ -	\$ -	\$ -	\$ 1,068	-5%	-5%
Baking and Snacking	489	-	(5)	(42)	442	11%	0%
International Soup, Sauces and Beverages	437	-	-	(47)	390	12%	0%
North America Foodservice	159	-	-	(3)	156	-2%	-4%
Total Net Sales	\$ 2,153	\$ -	\$ (5)	\$ (92)	\$ 2,056	1%	-3%
<u>February 1, 2009</u>							
U.S. Soup, Sauces and Beverages	\$ 1,128	\$ -	\$ -	\$ -	\$ 1,128		
Baking and Snacking	440	-	-	-	440		
International Soup, Sauces and Beverages	391	-	-	-	391		
North America Foodservice	163	-	-	-	163		
Total Net Sales	\$ 2,122	\$ -	\$ -	\$ -	\$ 2,122		



Reconciliation of GAAP and Non-GAAP Financial Measures

Net Sales For the Six Months Ended (millions)

Year-to-Date	Net Sales, As Reported	Impact of Divestitures	Impact of Acquisitions	Impact of Currency	Organic Net Sales	% Change	
						Net Sales, As Reported	Organic Net Sales
January 31, 2010							
U.S. Soup, Sauces and Beverages	\$ 2,208	\$ -	\$ -	\$ -	\$ 2,208	-5%	-5%
Baking and Snacking	1,019	-	(11)	(58)	950	7%	0%
International Soup, Sauces and Beverages	811	-	-	(55)	756	5%	0%
North America Foodservice	318	-	-	(3)	315	-2%	-3%
Total Net Sales	\$ 4,356	\$ -	\$ (11)	\$ (116)	\$ 4,229	0%	-3%
February 1, 2009							
U.S. Soup, Sauces and Beverages	\$ 2,326	\$ -	\$ -	\$ -	\$ 2,326		
Baking and Snacking	949	-	-	-	949		
International Soup, Sauces and Beverages	771	(12)	-	-	759		
North America Foodservice	326	-	-	-	326		
Total Net Sales	\$ 4,372	\$ (12)	\$ -	\$ -	\$ 4,360		



Reconciliation of GAAP and Non-GAAP Financial Measures

Operating Earnings For the Three Months Ended (\$ millions)

	Operating Earnings, As Reported	Restructuring Related Costs	Adjusted Operating Earnings	% Change	
				Operating Earnings, As Reported	Adjusted Operating Earnings
January 31, 2010					
U.S. Soup, Sauces and Beverages	\$ 259	\$ -	\$ 259	-4%	-4%
Baking and Snacking	73	-	73	38%	33%
International Soup, Sauces and Beverages	74	-	74	48%	48%
North America Foodservice	17	-	17	70%	6%
Total Operating Earnings	423	-	423	10%	8%
Unallocated Corporate Expenses	(32)	-	(32)		
Earnings Before Interest and Taxes	<u>\$ 391</u>	<u>\$ -</u>	<u>\$ 391</u>	<u>10%</u>	<u>8%</u>
February 1, 2009					
U.S. Soup, Sauces and Beverages	\$ 270	\$ -	\$ 270		
Baking and Snacking	53	2	55		
International Soup, Sauces and Beverages	50	-	50		
North America Foodservice	10	6	16		
Total Operating Earnings	383	8	391		
Unallocated Corporate Expenses	(28)	-	(28)		
Earnings Before Interest and Taxes	<u>\$ 355</u>	<u>\$ 8</u>	<u>\$ 363</u>		



Reconciliation of GAAP and Non-GAAP Financial Measures

Operating Earnings For the Six Months Ended (\$ millions)

	Operating Earnings, As Reported	Commodity Hedge Adjustment	Restructuring Related Costs	Adjusted Operating Earnings	% Change	
					Operating Earnings, As Reported	Adjusted Operating Earnings
January 31, 2010						
U.S. Soup, Sauces and Beverages	\$ 590	\$ -	\$ -	\$ 590	1%	1%
Baking and Snacking	173	-	-	173	27%	25%
International Soup, Sauces and Beverages	118	-	-	118	34%	34%
North America Foodservice	43	-	-	43	105%	26%
Total Operating Earnings	924	-	-	924	11%	9%
Unallocated Corporate Expenses	(55)	-	-	(55)		
Earnings Before Interest and Taxes	\$ 869	\$ -	\$ -	\$ 869	15%	9%
February 1, 2009						
U.S. Soup, Sauces and Beverages	\$ 584	\$ -	\$ -	\$ 584		
Baking and Snacking	136	-	2	138		
International Soup, Sauces and Beverages	88	-	-	88		
North America Foodservice	21	-	13	34		
Total Operating Earnings	829	-	15	844		
Unallocated Corporate Expenses	(75)	26	-	(49)		
Earnings Before Interest and Taxes	\$ 754	\$ 26	\$ 15	\$ 795		



Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Second Quarter

	<u>EBIT</u>
2009 - As Reported	\$ 355
Add: Restructuring Related Costs	8
2009 - Adjusted	<u>\$ 363</u>
2010 As Reported	\$ 391
% Change	8%



Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share)

Six Months

	<u>EBIT</u>	<u>Net Earnings</u>	<u>Diluted EPS</u> ⁽¹⁾
2009 - As Reported	\$ 754	\$ 493	\$ 1.34
Add: Unrealized Losses on Commodity Hedges	26	16	0.04
Add: Restructuring Related Costs	15	10	0.03
Deduct: Tax Benefit from the Sale of the Godiva Chocolatier Business	-	(4)	(0.01)
2009 - Adjusted	<u>\$ 795</u>	<u>\$ 515</u>	<u>\$ 1.41</u> ⁽²⁾
2010 As Reported	\$ 869	\$ 563	\$ 1.61
% Change	9%	9%	14%

⁽¹⁾ In the first quarter of fiscal 2010, Campbell adopted and retrospectively applied new accounting guidance related to the calculation of earnings per share. The retrospective application of these provisions resulted in a reduction of previously reported net earnings per share of \$0.01 for the six months of fiscal 2009.

⁽²⁾ The sum of individual per share amounts do not add due to rounding.



Materiality Analysis – Situation Assessment

Identify Issues from a wide range of stakeholders and sources

Primary sources

- Customers
- Consumer research
- Employees
- Scientific & Industry Research
- Benchmarking
- Investors
- Public Policy
- Community partners
- Suppliers
- Service Providers
- NGO's and issue activists
- Regulatory Agencies
- Media Outlets
- Emerging Issues Monitoring
- Key Cause Partners
- National Advertising Division, FTC
- Factory Mgrs
- Brand partners
- Trade Groups
- Professional Orgs.
- Shareholder advocates
- Innovation Partners and Portals

Issues

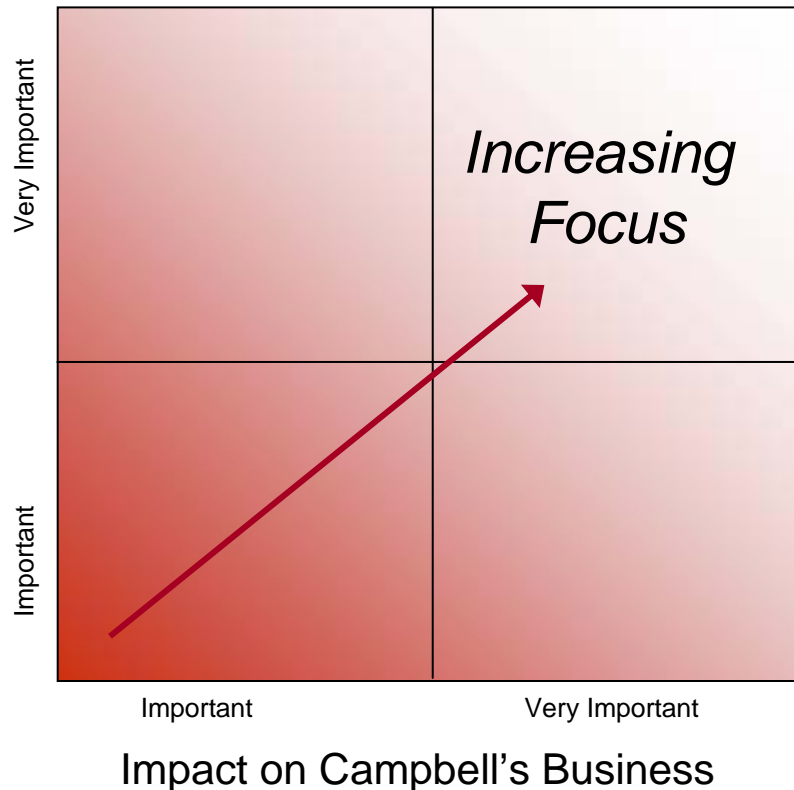
- Wellness, Nutrition
- Market performance
- Food Safety
- Quality
- Ingredients
- Sustainable Agri.
- Weight Management
- Packaging
- Water Use
- Waste Management
- Advertising
- Enterprise Risk Mgt.
- Energy/Climate
- Hunger Relief
- Transparency
- Cause marketing
- Transportation Infra.
- Employee Safety
- Ethics, Corporate governance
- Labor relations
- Employee Engagement
- Training & Devel.
- Diversity
- Education
- Camden comm. Investment
- Plant Communities
- Human rights
- Executive pay
- Political contributions
- International trade
- Business Continuity

Identify → Filter → Prioritize

Measured Against

- Destination Goals and Metrics
- Campbell Mission and 7 Strategies
- CSR Focus Areas
- Campbell Success Model
- Customer and Consumer Trends
- Regulatory Frameworks
- Impact to Community
- Total Delivered Cost
- Brand Reputation
- Employee recruitment and engagement
- Strategic & Operating Plans

Importance to Campbell Stakeholders



Review-

Integrate into business planning and External Stakeholder Relationships

Internal Review

- Strategic and Annual Operating Plans
- Board & Governance Updates
- CSR Leadership Network
- Emerging Issues Management

External Review

- Feedback to CSR report
- Customer, Consumer and Supplier input
- Investor, NGO, Stakeholders engagement
- External research, Regs, Trade Groups

Materiality Analysis – Strategic Plan

Importance to Campbell Stakeholders	Very Important	<ul style="list-style-type: none"> •Marketplace <ul style="list-style-type: none"> •Advertising and Labeling •Nutrition Information •Responsible Sourcing •Health and Wellness <ul style="list-style-type: none"> •Consumer Education •Disease prevention •Environmental Performance <ul style="list-style-type: none"> •Recycling •Community <ul style="list-style-type: none"> •Key Cause Campaigns •NGO Relationships 	<ul style="list-style-type: none"> •Marketplace <ul style="list-style-type: none"> •Total Shareowner Return •Health and Wellness <ul style="list-style-type: none"> •Nutrition, Weight Management •Food Safety & Quality •Environmental Performance <ul style="list-style-type: none"> •Resource Stewardship •Packaging and R&D •Community <ul style="list-style-type: none"> •Citizenship in Plant Communities •Workplace <ul style="list-style-type: none"> •Culture, Engagement, Ethics
	Important	<ul style="list-style-type: none"> •Marketplace <ul style="list-style-type: none"> •Supply Chain Performance •Supply Chain Standards •Stakeholder Relations <ul style="list-style-type: none"> •Political influence •Community and Investor Outreach •Workplace <ul style="list-style-type: none"> •Board Governance •Executive Compensation •Community <ul style="list-style-type: none"> •Youth Programs •Education 	<ul style="list-style-type: none"> •Marketplace <ul style="list-style-type: none"> •Customer and Consumer Priorities •Product and Market growth •Supply Chain <ul style="list-style-type: none"> •Sourcing •Transportation and Logistics •Workplace <ul style="list-style-type: none"> •Managing CSR Sustainability •Training and Development •Benefits and Compensation •Diversity and Inclusion
		Important	Very Important
		Impact on Campbell's Business	