

Campbell Soup Company

Product categories assessed
 Baked Goods|Juice|Soup|Savoury Snacks|Sauces, Dressings and Condiments

Percentage of company US sales covered by Product Profile assessment
 80-90%

Headquarters
 Camden, New Jersey, US

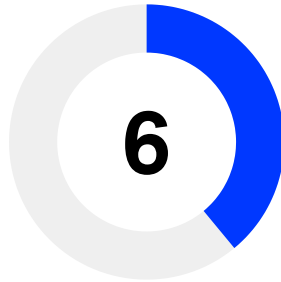
Number of US employees
 ~14,500

Type of ownership
 Public

Sales revenue (range) of packaged foods and beverages
 USD 7 - 12 Billion

US share in global packaged food and beverage sales
 78-83%

Euromonitor International Limited [2021]
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Rank 6 / Score 3.9



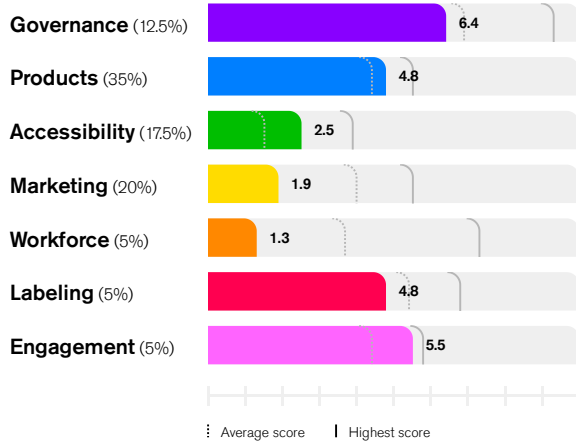
Product Profile 1¹

Rank 1 / HSR 2.9 1²

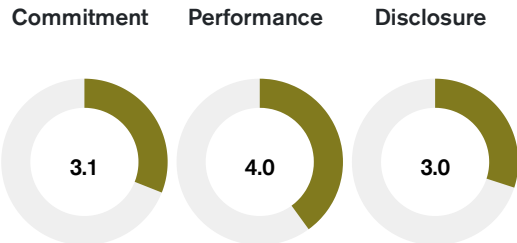
Important:

The findings of this Index regarding companies' performance rely to a large extent on information shared by companies, in addition to information that is available in the public domain. Several factors beyond the companies' control may impact the availability of information. Therefore, in the case of limited or no engagement by such companies, this Index may not represent the full extent of their efforts.

Scoring Overview



(%) Figure in brackets is the weighting of the category
 All category and criteria scores are out of 10



The bar graph to the left shows company performance across the seven Index categories, which are key topic areas of assessment, and scores are shown for each category. The circles above provide an alternate view on the company's overall results, showing the score per indicator type.

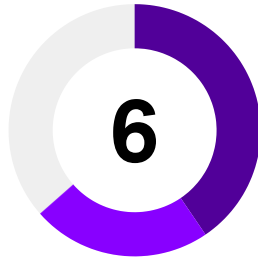
Categories

The US Index 2022 assesses companies' nutrition-related commitments and policies, practices and disclosure across seven categories. A product profiling exercise, assessing the healthiness of companies' product portfolios using the Health Star Rating model is also part of the Corporate Profile.



Governance

12.5% of overall score



Rank 6 / Score 6.4

Highest score 9.3

Average score 6.9

A1 Nutrition strategy

A2 Nutrition management

- Campbell focuses on nutrition in its core commercial strategy. The company takes a holistic environmental, social, and governance (ESG) approach, of which 'Trusted Food' is one of four pillars. Campbell defines this as 'delicious, wholesome, accessible, food made with trusted ingredients.' According to the company, trusted food is 'nutrition focused, accessible, and lower in negative nutrients.'
- The company launched new nutrition metrics that specifically focus on reducing calories, saturated fat, sodium, and added sugar – thus demonstrating a commitment to addressing obesity and diet-related diseases through its commercial strategy.
- Campbell adopts a comprehensive approach to addressing nutrition challenges in its commitments. The company employs multiple approaches, including committing to increase nutritious offerings by measuring the nutritional quality of portfolio over time; lowering negative nutrients for all products to inform product development for innovation and renovation; and increasing food access. The company also refers to using global and regional health authority guidelines, such as the United States Department of Agriculture (USDA) definition of food insecurity, while describing activities linked to food access.
- Campbell is one of seven companies that publicly disclose that their Executive Vice President, Chief Research and Development, and Innovation Officer are ultimately responsible for implementing the company's nutrition strategy. The Governance Committee of the Board oversee Campbell's ESG strategy and reporting.

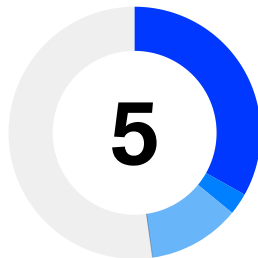
Areas of improvement

- Campbell has conducted several community programs as part of its food access agenda, such as community programs to address key nutrition issues (including food access, school nutrition, and community nutrition education) for priority populations. Most of these initiatives are limited in scale and philanthropic in nature. The company is recommended to include a stronger focus on priority populations through its commercial strategy by including explicit commitments for specific groups that are at higher risk of experiencing malnutrition, and report on the impact of its activities.
- The company is recommended to include nutrition-related targets within the trusted food pillar of its ESG framework.
- Campbell is advised to link executive compensation to performance on nutrition objectives and disclose this publicly.
- Campbell is also recommended to ensure nutrition plans and strategies are assessed regularly by internal audits and/or are subject to an annual management review to monitor progress.



Products

35% of overall score



Rank 5 / Score 4.8

Highest score 5.5

Average score 4.4

- B1** Product Profile
- B2** Product formulation
- B3** Defining healthy products

- Campbell achieved a relatively high score on product healthiness in categories such as Soups and Juices. However, the company is encouraged to further reduce salt, fat, and sugar levels – especially in the Savory Snacks category – and try to derive most sales from healthier product varieties.
- In 2022, Campbell released a new set of nutrition reporting metrics covering three areas: 'nutritious foods, reducing negative nutrients, and quantifying product accessibility and affordability.' More information about the accessibility metric can be found in Category C. ATNI welcomes this development, as it shows a concrete effort to track and advance nutrition and health throughout the company's core business strategy. Campbell has developed a new nutrient profiling model (NPM) called Nutrition Focused Foods, which sets standards for both positive and negative nutrients based on the categories 'Cannot Exceed (setting limits for negative nutrients) and 'AND must meet at least 1" (lists positive nutrients), according to serving size. Campbell's NPM is across-the-board (i.e., covering all products, without distinction at the category level, except for more stringent sodium requirements for snacks).
- Furthermore, Campbell has a transparent reporting system, disclosing thematic Scorecards in its 2022 Corporate Responsibility Report, which covers nutrition-related performance. Campbell indicated that 56% of its portfolio currently meets the criteria for nutrition focused foods, representing 52% of 2021 sales. Meanwhile, 69% of its portfolio currently meets category-specific Guidelines for Product Development, which are focused on limiting negative nutrients (saturated fat, sodium, added sugar, and calories).

Areas of improvement

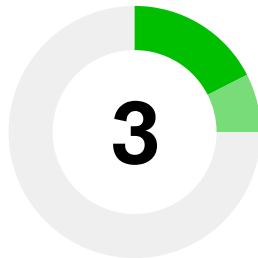
- The company is encouraged to benchmark performance of the healthiness of its portfolio against an externally recognized (and, where applicable, government-endorsed-) NPM. Campbell is encouraged to disclose its NPM in full on its website, including scores, criteria, and where and how it is applied.
- Campbell is encouraged to define a complete set of product (re)formulation targets, especially for sodium (given the current Food and Drug Administration guidance), and to publicly report on its progress.
- Campbell reports that 71% of its meals and beverages products meet the requirements for at least one federal nutrition program (WIC Eligible Foods, SNAP Staple Foods for Retailer Eligibility, and USDA Smart Snacks). Campbell is recommended to include a commitment in its nutrition policy to only sell products through retail and other outlets that have the same 'look and feel' as products sold under the Smart Snacks in School regulation, if they meet the same nutritional standards. Campbell is encouraged to review current product portfolio to reformulate all products sold under the Smart Snacks in School regulation to make them healthier.





Accessibility

17.5% of overall score



Rank 3 / Score 2.5

Highest score 3.9

Average score 1.5

- C1 Product pricing
- C2 Product distribution

- Campbell has made 'access and affordability' one of the three pillars in its new nutrition approach, especially in relation to its nutritious foods. A key feature of this pillar is to track the average price (per serving) of its 'Nutrition Focused Foods' relative to its general portfolio and disclose the result. In 2021, Campbell found that the price of its 'Nutrition Focused Foods' was slightly lower – \$0.62 per serving vs \$0.65 – for its overall portfolio. This is a clear improvement in the company's performance since 2018, and Campbell is the only company in this Index found to conduct this kind of analysis and report on it.
- The company explicitly adheres to USDA definitions of food insecurity in the US for its access-focused activities, which are predominantly philanthropic, rather than being driven by the company's commercial strategy.

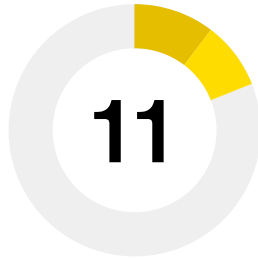
Areas of improvement

- While Campbell finds that the relative price of its 'healthy' foods is slightly lower than its general portfolio, there is scope to improve this price differential. The company is encouraged to formulate quantitative targets (including baseline and target year) to enhance in this area, and to develop a strategy for achieving this.
- Campbell is further encouraged to analyze the pricing and distribution of its nutritious products, specifically for low-income consumers and those living in food-insecure communities according to USDA definitions (as the company does for community programs).
- Campbell is advised to develop a US-specific strategy to improve the commercial distribution of its 'healthier' products, including one or more quantitative targets with baseline and target year.
- Campbell is encouraged to publish a commentary on how it has improved the affordability and accessibility of its 'Nutrition Focused Foods'. It is recommended to work with retailers and distribution partners to ensure the affordability and accessibility of its healthy products in the US through commercial channels.
- It is important that the company tracks the healthiness of the products it donates as part of its philanthropic food security efforts and ensures that the majority of product donations are of healthier product varieties.



Marketing

20% of overall score



Rank 11 / Score 1.9

Highest score 5.5

Average score 4

- D1 Marketing policy
- D2 Marketing to children
- D3 Auditing and compliance

- As a Children's Food and Beverage Advertising Initiative (CFBAI) member, Campbell pledges to advertise only its foods and beverages that comply with CFBAI's Uniform Nutrition Criteria in its advertising to children under age 12 and will not advertise its foods and beverages primarily directed to children under age six.

Areas of improvement

- Campbell is strongly encouraged to develop and publish a clearly articulated responsible marketing/advertising policy, covering all consumers including children (defined as under aged 18), including all marketing communication channels, which applies to all products.
- Campbell is encouraged to commit to increasing the proportion of marketing spending on healthier products relative to overall marketing spending and publish a commentary outlining the changes to the company's marketing spending in support of healthier eating.
- Campbell undergoes CFBAI auditing and is encouraged to make the marketing compliance levels public. No information on auditing the compliance of marketing for the general audience was found. It is therefore recommended to ensure annual independent external auditing of the company's compliance with its general marketing policy applicable to the US, covering all media specified in the policy. Campbell could also ensure corrective measures are taken regarding any non-compliance with its marketing policy.
- Where Campbell's policy for children indicates no marketing or advertising in primary schools, no such commitment is made for secondary schools or other places where children gather. As a next step, the company is recommended to extend its policy of no marketing to children to the aforementioned places, and to consider advancing to a commitment and practice not to advertise unhealthy products at all to children.
- Campbell is advised to commit to or demonstrate that its non-commercial US programs relating to nutrition education exclude product- or brand-level branding in all programs.



Workforce

5% of overall score



Rank 11 / Score 1.3

Highest score 7.3

Average score 3.7

E1 Employee health

E2 Breastfeeding support

- Campbell formally commits to granting paid parental leave, by offering 10 weeks of fully paid leave to primary caregivers, and two weeks of fully-paid leave to non-primary caregivers, following the birth or adoption of a child.

Areas of improvement

- Campbell should make a public commitment to support employee health and nutrition in the US through a workforce nutrition program, including expected outcomes (such as healthy behavior, health-related, or employee absenteeism outcomes).
- For its workforce nutrition program, Campbell should consider:
 - o A commitment to making the program available to all employees and all family members.
 - o Including healthy food at work, nutrition education, and nutrition-focused health checks.
 - o Disclosing the percentage of employees that participate in the program.
- Campbell is encouraged to evaluate the health impact of their workforce nutrition program(s) in the US regulated by a third-party independent evaluator. The company is further encouraged to disclose quantitative and qualitative information of the outcomes of the program.
- Campbell could commit to improve the health and nutrition of groups across the food value chains it is involved in, that are not directly employed by the company (supply chain partners in the US and abroad), through programs focused on nutrition.
- Campbell is encouraged to extend its current paid parental leave policies to ideally six months or more.
- Campbell is advised to develop and publish a US policy on supporting maternal health and breastfeeding mothers at work, which applies equally in all facilities. The policy should cover the following arrangements: 1) provide private, hygienic, safe rooms for expressing breastmilk (including refrigerators); 2) allow breastfeeding mothers breaks to express breastmilk; and 3) offer flexible working arrangements to support breastfeeding mothers.



Labeling

5% of overall score



Rank 7 / Score 4.8

Highest score 6.8

Average score 5.4

 Product labeling

- Campbell provides online nutrition information for almost 90% of its product portfolio in the US.
- Campbell uses the 'Facts up Front' (FuF) labeling icons to display front-of-pack (FOP) information, which shows calories, saturated fat, sodium, and total sugar contained in each serving of a food or beverage product.

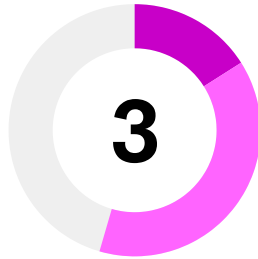
Areas of improvement

- Campbell is advised to adopt an interpretive FOP labeling system and apply this to all products in its portfolio. Information on the type of FOP labeling used by the company should be disclosed publicly.
- Campbell is encouraged to further track the percentage of its portfolio that is compliant with its approach to FOP labeling and publicly report on this.
- Campbell is advised to use an externally recognized NPM to underpin FOP labeling information in the US. Campbell currently uses the FuF labeling system, which pulls nutrient information from the Nutrition Facts Panel. However, this does not tell consumers what products the company considers healthier, and the criteria used for that purpose.
- Campbell could provide the percentage of wholegrain relative to all grain or refined grains on all relevant products, to assist consumers in making informed decisions on the healthiness of products. Campbell displays the 50% Wholegrain Stamp on 75 of its products, showing that at least 50% of the grains in the product are wholegrains.
- Campbell discloses the amount of fruit and vegetable information on some product packages. The company is encouraged to commit to providing fruit and vegetable content information on all relevant products.
- It is recommended that Campbell ensures 100% of its portfolio displays online nutrition information to ensure that, with growing online retail sales, consumers can easily access nutritional information.



Engagement

5% of overall score



Rank 3 / Score 5.5

Highest score 5.8

Average score 4.4

- G1** Influencing policymakers
- G2** Stakeholder engagement

- Campbell's Board of Directors reviews reports of its political spending, trade association memberships and payments, and key regulatory issues.
- The company discloses a comprehensive list of trade association memberships and the precise dues used for lobbying purposes in its annual Political Accountability Reports, a leading practice. Campbell also discloses the combined amount spent on lobbying at federal and state levels (approximately \$250,000).
- Campbell states that, in 2020 and 2021, it spent \$0.00 on political contributions from the company treasury at state or local level (including political action committees (PACs) and candidates; direct contributions are banned at federal level). The company's PAC, Campbell Soup Company Political Action Committee, is being dissolved, but the company did not disclose its most recent (final) expenditures in the report.
- Campbell publishes a list of 'Key Legislative and Regulatory Issues'. However, it is not specific about its positions on important nutrition-related policies, other than indicating support for self-regulation of marketing to children.
- Regarding stakeholder engagement, Campbell states that it works with several advisory consultants to review the latest nutrition science and offer guidance on its nutrition strategy, as well as topics such as responsible labeling and affordability. For example, its new 'Nutrition Metrics' and 'Nutrition Focused Foods' nutrition profiling systems were developed with external specialists. It also engages with organizations such as the Produce for Better Health Foundation, the Academy of Nutrition & Dietetics, Tufts Food and Nutrition Innovation Council, and the Interfaith Center on Corporate Responsibility (ICCR) on specific nutrition topics.
- Campbell's new 'Full Futures' program, which replaces its 10-year 'Healthy Communities' program, sees different partner organizations run different parts of the program: 'The Food Bank of South Jersey' provides nutrition education to students and parents, two youth advisory councils advise on the Full Futures work, and the 'Alliance for a Healthier Generation' leads the measurement and evaluation work.

Areas of improvement

- Campbell is strongly encouraged to actively support (or commit to not lobby against) key World Health Organization-endorsed public policy measures to address obesity and diet-related non-communicable diseases – such as fiscal measures to address obesity, regulatory restrictions on marketing/advertising unhealthy products (to children), or increased FOP labeling requirements, whether at the federal, state, or local level where such proposals arise.
- Campbell could significantly improve its disclosure regarding its lobbying positions on key public health policies. These positions should be as specific and unambiguous as possible. Publishing links to specific documents used in government engagements is also encouraged.
- Campbell is advised to publish a link to its Lobbying Disclosure Act reports on its website or in its reports, and to disclose greater detail

about the state and local governments it is active in lobbying, and the names of lobbying firms or individuals it employs.

- Campbell is recommended to enhance its processes to review and manage relationships with trade associations, and to undertake audits of the company's lobbying activities, disclosure, and compliance with its lobbying policies (as set out in its Political Accountability Report).
- Campbell should significantly improve its transparency regarding the identities of experts it consults on nutrition-related topics, as well as providing an indication of the degree of financial compensation for these engagements. It could also be more explicit about the outcomes of these engagements and consultations, and how it was used to change its nutrition-related practices or plans.

Product Profile ^{1 3}



Rank 1/11 / Score 2.9/5

The Product Profile is an independent assessment of the nutritional quality of companies' product portfolios. For this purpose, ATNI uses the Health Star Rating (HSR) model, which rates foods from 0.5 to 5.0 based on their nutritional quality. The underlying nutrient profile model assesses nutrients of concern (sodium, total sugar, saturated fat, and overall energy) and positive food components/nutrients (fruit and vegetable content, protein, fiber, and, in some cases, calcium) to score products on the basis of nutritional composition per 100g or 100mL. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthier. Product Profile results account for 20% of the total Index score.

Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	Products meeting the 'healthy' threshold (HSR of (3.5 stars or more))			Range of total 2021 US sales covered ⁴
	Total no. products assessed	% of distinct healthier products	% sales from healthier products*	
2.9	1026	52%	48%	80-90%

ATNI estimates this value by taking the proportion of 'healthy' products within each category assessed and multiplying that figure by the corresponding category US retail sales-values in 2021. The values are then aggregated to generate an estimate of the overall US healthy sales.

▪ Campbell's average sales-weighted HSR is 2.9 (stars) out of 5 (3.0 unweighted), ranking joint first out of the 11 companies assessed in the Product Profile (together with Conagra). A total of 1026 products across the company's five best-selling product categories were assessed using the HSR system. ▪ 52% of distinct products analyzed for Campbell met the 'healthy' threshold (3.5 stars or more in the HSR). When taking category sales values into account, the company was estimated to derive approximately half (48%) of its US 2021 sales from healthier products (mostly juices).



Mean Health Star Rating by category for Campbell Soup Company

	No. of products assessed	Mean HSR
Baked Goods	133	3.2
Juice	70	2.7
Sauces, Dressings and Condiments	119	3.2
Savoury Snacks	332	2.5
Soup	372	3.4

▪ Among categories assessed, Campbell products in the Soup category (brands include Campbell's and Pacific) had the highest mean HSR (3.4 out of 5). A total of 372 distinct Soup products were analyzed and 261 of them (or 70%) met the 'healthy' threshold. The company's lowest scoring category was Savoury Snacks, which was one of the best-selling categories in 2021. A total of 332 Savoury Snacks were assessed including products from the brands Pepperidge Farm, Snyder's of Hanover and Lance, among others. The category had a mean HSR of 2.5 out of 5 and 103 products (31%) met the 'healthy' threshold.

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Footnotes

1. The Product Profile corresponds to criterion B1, assessing the nutritional quality of companies' portfolios, relative product quality within categories compared to peers and changes in portfolio healthiness over time.
2. The current Product Profile score accounts for 20% of the total Index score. It corresponds to criterion B1 of the Index.
3. The Product Profile is an independent assessment of the nutritional quality of companies' product portfolios. For this purpose, ATNI uses the Health Star Rating (HSR) model, which rates foods from 0.5 to 5.0 based on their nutritional quality. The underlying nutrient profile model assesses nutrients of concern (sodium, total sugar, saturated fat, and overall energy) and positive food components/ nutrients (fruit and vegetable content, protein, fiber, and, in some cases, calcium) to score products on the basis of nutritional composition per 100g or 100mL. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthier. Product Profile results account for 20% of the total Index score.
4. Retail sales data derived from Euromonitor International.