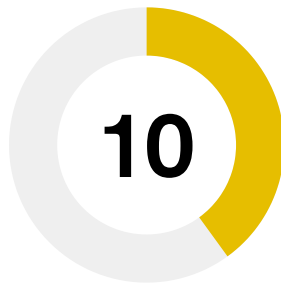


Campbell's ¹

Reported product categories
Soups, Sauces, Beverages, Baked Goods, Snacks, Baby Food



↑ Rank 10 / Score 4
Rank 12 (2016)



Product Profile

Rank 5 / Score 5.8

Headquarters
U.S.

Market capitalization
Not available

Reported revenue by geography ³
United States 77%, Other countries 13%, Australia 8%

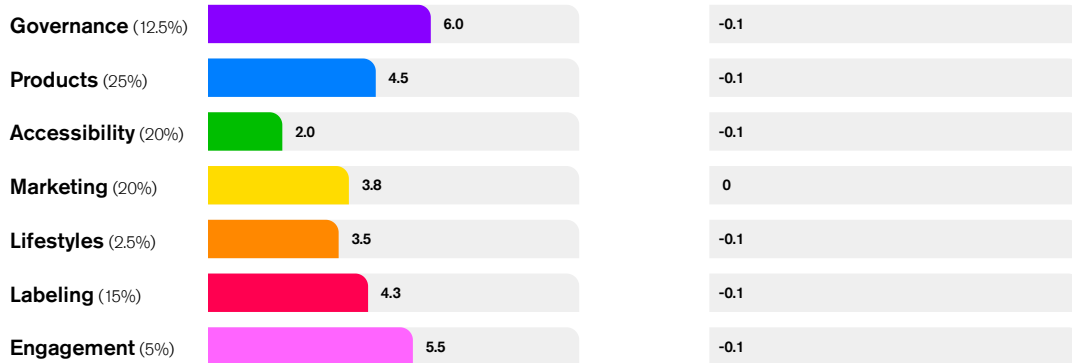
Number of employees
18,000

Total revenues ²
\$7,961 m

Corporate Profile

Nutrition 10/4

Undernutrition 20/-1



Main areas of strength

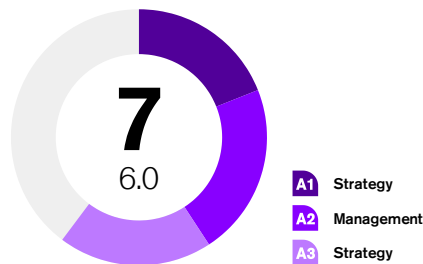
- Campbell's score has increased from 2.4 in 2016 to 4.0 out of 10 in 2018. The company now ranks tenth, an improvement compared with the 2016 Global Index. It shared more information than for the 2013 or 2016 Indexes, which had a positive impact on its performance.
- Campbell's has made a strategic commitment to "be the leading health and well-being food company." To achieve its ambition, in FY2015, it developed new corporate 'Strategic Imperatives' which include offering fresh packaged food, and adding vegetables and wholegrains to its products to respond to consumer trends. This commitment to grow through a focus on healthy foods is exemplified through recent acquisitions. Campbell's also reports that it generates increasing levels of sales from products that 'promote positive nutrition' and have 'limited negative nutrients'.
- Through its Consumer Goods Forum membership, the company makes a broad range of global nutrition-related commitments on the accessibility and availability of healthy products, product reformulation and fortification for vulnerable populations, product information and responsible marketing, and education about healthier diets and lifestyles.
- By the end of FY2016, Campbell's had removed all partially hydrogenated oils from all relevant products and met a salt reduction target. Campbell's shared more information and evidence on its maximum thresholds for levels of 'negative nutrients' and minimum levels for 'positive nutrients', which were developed with guidance from experts and tailored to different countries' national dietary guidelines. This is a positive step.
- Campbell's provides back- and front-of-pack nutrition labeling in line with its labeling policy on all of its products globally. This is a leading practice in terms of the level of product coverage among the companies assessed.
- Campbell's reported which topics it engages with regulators on and provided evidence of comprehensive and well-structured stakeholder U.S. engagement.

Priority areas for improvement

- Campbell's has not set clear targets for the number of products that will meet its thresholds by a certain date for its three types of 'nutrition and wellness choices'. It is encouraged to set such targets and report annually on its progress in meeting them.
- It is also encouraged to set and disclose consistent maximum and minimum thresholds for products for all markets in which it operates, covering all key nutrients, and targets for reformulation with dates for achieving its targets. The company should also move towards using an NPS that analyses and enables comparison of products' overall nutritional quality in all markets.
- Campbell's is urged to formalize its commitments on accessibility and affordability within a policy and to articulate clear targets in this area.
- Campbell's does not commit to exclusively supporting nutrition education and healthy lifestyles programs for consumers designed and implemented by third parties but rather maintains involvement and allows branding of these programs. The company is encouraged to exclude all brand-level sponsorship for such programs and commission evaluations of them by third parties with relevant expertise.
- The company could strengthen its child-directed marketing commitments by adopting a stricter audience threshold and committing not to market in secondary schools. To achieve best practice, it should commission independent audits of its compliance by a completely independent third-party and disclose the results.
- Campbell's ranks shared fifth on the Product Profile with a score of 5.8 out of 10, based on an assessment of its major product categories in seven countries. Campbell's was estimated to derive 40% of its 2016 sales from healthy products, i.e. those that achieve a Health Star Rating of 3.5 or more which illustrates that it has significant scope to improve the healthiness of its portfolio through product reformulation, innovation and/or acquisitions or disposals.

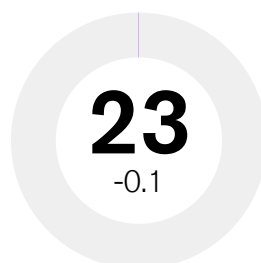
Category Analysis

Category A - Governance 12.5% - Nutrition

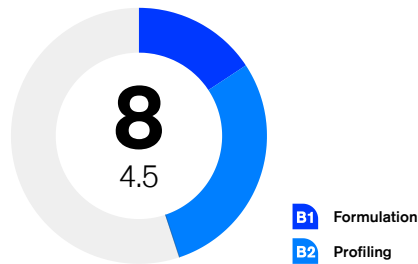


- To achieve its goal of being, 'the leading health and well-being food company', Campbell's has expanded its healthy product offerings in number of categories. This strategic commitment to nutrition-oriented business growth is clearly established and illustrated by the emphasis the company has placed on nutrition in its acquisitions and market expansion. These include the acquisition of Snyder's-Lance, Pacific Foods of Oregon and Garden Fresh Gourmet in the last three years.
- Campbell's recognizes it has a role to play in tackling the global challenges of increasing levels of obesity and diet-related chronic diseases and acknowledges the SDGs. However, there is no evidence that it acknowledges the priorities set out in the WHO Global Action Plan for the Prevention and Control of Non-Communicable Diseases 2013-2020.
- Through its membership of the Consumer Goods Forum, Campbell's has expanded the scope of its nutrition-related commitments. Nevertheless, the company does not have a comprehensive set of objectives with specific timelines for their delivery, nor does it report its progress against them.
- The company has some strong governance in place. The CEO is accountable for the company's nutrition strategy and it conducts internal audits and annual management reviews of its strategy. However, the company lags behind its peers in certain elements – it does not seem to conduct nutrition-related risk assessments, the remuneration of the CEO is not linked to performance on nutrition objectives and day-to-day responsibility for implementing its nutrition strategy is not allocated to an executive who has direct communication lines with the Board.
- Campbell's is one of few companies to commission external reviews of the nutrition content of its CSR report. This is a new practice since 2016 and an example of leading practice. However, within its public reporting, Campbell's does not clearly convey how its approach to preventing and addressing obesity and diet-related chronic diseases translates into firm group-wide objectives. Campbell's could improve the quality of its reporting by publishing an overview of all of its nutrition objectives along with their scope, magnitude, target progress, and an explanation of their connection to the overall nutrition strategy.

Category A - Governance 12.5% - Undernutrition

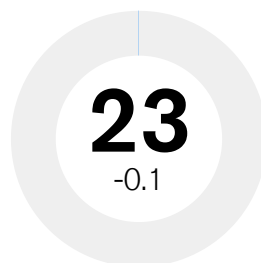


Category B - Products 25% - Nutrition

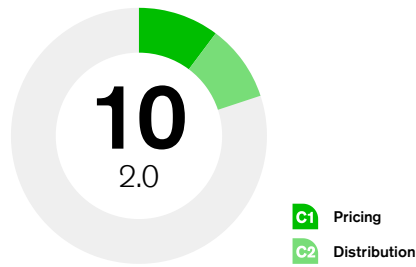


- Campbell's commits to invest in R&D to improve the nutritional quality of its products and this commitment was reaffirmed by the CEO during the company's Investor Day 2017. Despite the Board-level commitment, the company does not seem to have set targets to increase R&D spending on nutrition, making it hard to assess how substantial its commitment is.
- Campbell's commits to offering consumers 'nutrition and wellness choices'. It uses three definitions and sets of thresholds for the composition of such products: i) products with limited negative nutrients; ii) products that promote positive nutrition; and iii) healthy products. It has a set of thresholds per relevant nutrient for each of the types referred to, developed with advice from experts and aligned to national dietary guidelines. However, it does not use an NPS to calculate one score of overall nutritional quality for all products and categories. The company should move to such an NPS and publish relevant details.
- The company reports on the level of global and U.S.-retail sales of healthy products (using all three of its definitions for such products). In financial year 2016, they together accounted for 28% of sales globally (the company reported an updated, higher figure in feedback to ATNF based on more recent results). It was also able to show that this figure has increased by more than 10% in between 2014 and 2016 due to inclusion of global data, innovation, acquisition, and reformulation. The Product Profile estimated that the company generated 40% of its sales from healthy products in the seven markets assessed. This indicates that the company's metrics do not overestimate the sales of healthy products. Nevertheless, both metrics show that more than half of the company's sales are generated from products of lower nutritional quality and the company should actively work on solutions to increase the sales from healthy products.
- Campbell's has made good strides in reformulating its products. It participated in the US National Salt Reduction Initiative (NSRI) between 2012-2014. The NSRI developed targets to guide sodium reduction in 62 packaged food categories. Campbell's met these targets for several product categories - breads and rolls, broth and stock and canned chili, pasta and hash. Further, by the end of financial year 2016, Campbell's had removed all partially hydrogenated oils from its products. In the cases of salt and trans-fat reformulation, the geographic scope of these product improvements remains unclear.
- However, the company does not have targets to reduce the levels of saturated fats or sugar in its products further, nor to add whole grains or fruits, vegetables, nuts and legumes to any of its products. The company therefore has the opportunity to strengthen its product formulation commitments by developing such targets that are global in scope, cover all product categories and for which specific baselines and target years are defined for achieving them. The company should then publicly report each year on its progress.

Category B - Products 25% - Undernutrition

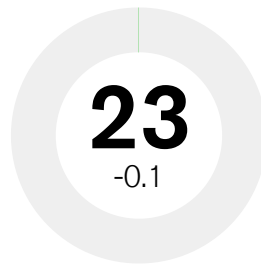


Category C - Accessibility 20% - Nutrition

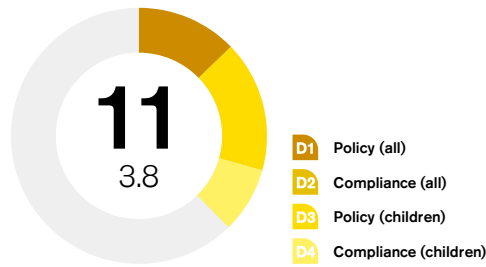


- Since 2016, Campbell's strengthened its commitment to address accessibility and affordability of healthy products and now commits to address these topics globally. Furthermore, Campbell's provided more examples of improving affordability of healthy products which had a positive impact on company's performance and score.
- Through its membership of the Consumer Goods Forum, Campbell's commits to continuing to develop and improve affordability and availability of existing products and services to support the goal of healthier diets and lifestyles, and to provide healthier choices of products for a range of budgets.
- The company shared a number of examples of improving the affordability and accessibility of healthy products in the U.S. indicating that the company has developed an approach to increase the consumption and sales of its healthier products. However, Campbell's does not have a policy or targets in place. It could do much more in both of these important areas.

Category C - Accessibility 20% - Undernutrition

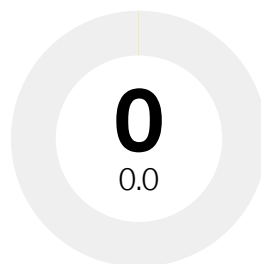


Category D - Marketing 20% - Nutrition

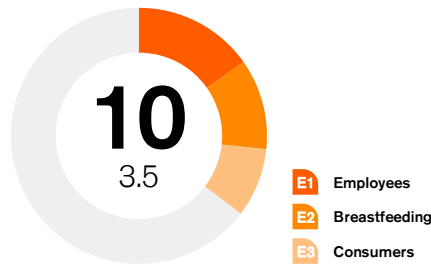


- Since the 2016 Index, the company has strengthened its performance on criteria related to responsible marketing to all consumers by providing more evidence to ATNF compared with 2016. Campbell's provided evidence of a global policy that covers wide range of media (the company omits DVDs/CDs/games, cinema, sponsorship and product placement) and includes some commitments as articulated by the ICC. Despite the improvement, the company does not seem to audit (or commission audits) of its compliance with its standards. To strengthen its performance, the company could publish the policy related to responsible marketing to all consumers, expand the media covered, pledge to adhere to the ICC framework and commission annual independent audits on compliance with its policy.
- Globally, the company supports the Consumer Goods Forum (CGF) and its Resolution on Responsible Marketing, marketing pledges in Australian and Canada, and, in the U.S., Campbell's home market, it commits to CFBAI and the Children's Advertising Review Unit (CARU).
- In addition to these pledges, Campbell's has its own, globally applicable policy on responsible marketing to children. The publicly available global policy includes less comprehensive commitments related to responsible marketing techniques than the detailed commitments associated with the CARU Guidelines.
- Globally, Campbell's does not advertise any products to children aged two to six. In markets such as U.S., Canada and Australia it only markets products that meet the CFBAI's nutrition criteria to children age 7-12. The company sets a 35% global threshold for audience proportion to determine whether programs or media have a child audience. To improve its performance, Campbell's could extend its responsible marketing policies and practices as applicable in the U.S. to children across all of its markets. In addition, it should also expand the scope of covered media and strengthen the audience threshold to when children make up more than 25% of a general audience. Further, it should expand commitments to prohibit marketing near primary and in secondary schools or other places popular with children.
- The CFBAI audits the compliance of all signatories with its pledge and publishes its industry-wide compliance findings; however, Campbell's does not publish its individual compliance level. The company does not disclose details of this audit, therefore the extent of its scope and rigor are unclear. Providing more evidence about its internal audits and disclosing its individual compliance level for TV and digital marketing in the public domain, could have a positive impact on the company's performance.

Category D - Marketing 20% - Undernutrition

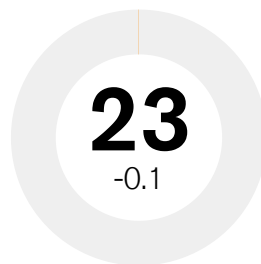


Category E - Lifestyles 2.5% - Nutrition

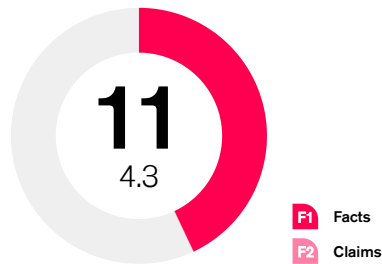


- Campbell's commits to supporting staff health and wellness and offers programs that are available globally to all employees. The company also articulates health outcomes it aims to achieve through these health and wellness programs. As in 2016, clear participation targets and evaluations of employee program effectiveness are not evident. The company should move towards best practice by commissioning independent evaluations of the health impacts of these programs to help ensure that its resources are being effectively deployed and delivering the greatest health impacts possible.
- In 2016, Campbell's introduced in the U.S., "gender-neutral Paid Parental Leave Policy that provides 10 weeks of fully paid leave for primary caregivers." The company has similar provisions across the globe, however, they vary per region based on local regulation. Campbell's offers breastfeeding mothers at work flexible working hours to accommodate breastfeeding, shortened work days and dedicated breastfeeding rooms. To strengthen its performance, the company could go beyond complying local legislation and adopt a global policy with a standard period of paid maternity leave and facilities consistent in all markets.
- Most of Campbell's educational and physical activity programs focus on the U.S. As a Consumer Goods Forum participant, it commits, in addition to its own programs to support public health and civil society initiatives. These promote active, healthy living, particularly that which informs consumers about good hygiene as well as achieving energy balance through healthier diets and lifestyles and increased physical activity. In some cases, independent third parties are responsible for the content and implementation of the nutrition education and physical activity programs. The company's approach to consumer education could be strengthened by developing formal guidelines, committing to only supporting programs developed and implemented by third parties and which do not carry brand-level marketing. This would demonstrate that the company is taking responsibility for helping to improve consumers' lifestyles beyond the immediate scope of its business.

Category E - Lifestyles 2.5% - Undernutrition

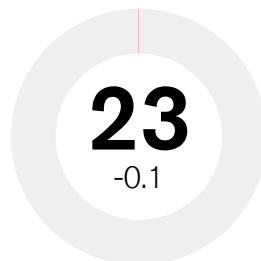


Category F - Labeling 15% - Nutrition

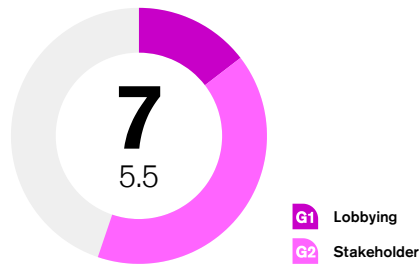


- Globally, Campbell's commits to the CGF Resolution on Product Information and commits to provide certain nutritional information on front-of-pack and back-of-pack labels. Beyond this commitment, the company does not have globally applicable labeling policy; it follows multiple market-specific initiatives in its major markets. Therefore, it has an opportunity to adopt a globally consistent labeling policy that goes beyond complying only with local labeling requirements and labels all nutrients important to nutrition and health.
- In the U.S., the company participates in the 'Facts Up Front' initiative providing levels of calories, sodium, saturated fat and sugars per serving on the front of its food packages. However, these commitments are limited to the company's home market. Additional information is provided for Australia where Campbell's commits to using the Health Star Rating system. Any similar company-wide commitments are not reported. Therefore, the company is encouraged to adopt a global policy that commits to using an interpretative front-of-pack format, to align with best practice. Like all companies, Campbell's should ensure to not undermine existing local interpretative FOP labeling systems by implementing alternative or additional systems.
- The company reports publicly that 100% of its products globally provide nutrition information on the labels in accordance with its commitments. This is a leading practice for level of product coverage among the companies assessed on the 2018 Global Index.
- Campbell's could improve its management of the use of health and nutrition content claims. In its international markets, it is unclear which guidelines it follows when making claims and it does not specify whether it follows Codex guidelines in markets where the use of claims is not regulated.

Category F - Labeling 15% - Undernutrition

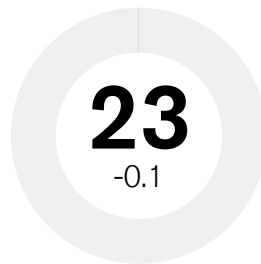


Category G - Engagement 5% - Nutrition



- Campbell's participates in public policy debate in the U.S. on many issues such as product labeling, health, wellness and nutrition policy both directly and through the external Campbell's Political Action Committee. The company does not disclose information on its lobbying activities outside the U.S.
- Campbell's discloses a partial list of financial contributions beyond US\$10,000 made to industry associations and lobbying organizations in the US, but not a complete list as stakeholder groups and private-public partnerships are disclosed only. Moreover, it does not set out whether it has any governance conflicts of interest or holds board seats on industry associations and/or advisory bodies related to nutrition issues. To strengthen its approach, the company could commit to lobby only in support of public health initiatives in all markets.
- Campbell's provides examples of engagement with stakeholders on topics such as health, nutrition and wellness, food access, responsible marketing and labeling. The company could disclose more examples of stakeholder engagement beyond U.S.

Category G - Engagement 5% - Undernutrition



Product Profile



5

Rank 5 / Score 5.8

Average HSR score products (sales-weighted)	Percentage of healthy products (sales-weighted)	Percentage of healthy products suitable to market to children (sales-weighted)	Number of products included in HSR and WHO EURO assessments		Number of countries included in the assessment
			HSR	WHO EURO	
2.9 stars	40%	24%	1462	1469	7

- Campbell's average sales-weighted and unweighted HSR is 2.9, generating a Product Profile score of 5.8 out of 10, and it ranks shared fifth.
- It is estimated that just under half of its product portfolio (47%) meets the HSR healthy standard and 40% of its sales are generated from products that meet the healthy threshold. The proportion of its sales of products assessed suitable to market to children was 24% (28% of its products by number). The lower sales-weighted figures illustrate that products with poorer nutritional quality may have contributed more to annual 2016 sales than products of higher nutritional quality.
- The market in which Campbell's has the highest proportion of healthy products was the U.K. where 86% of its portfolio meets the healthy threshold. This figure increased to 92% when results were weighted by sales. New Zealand was the market with the lowest mean HSR both before and after sales-weighting.
- The highest proportion of products eligible for marketing to children (71%) was found in the U.K., followed by Mexico with 48%. Australia and New Zealand the lowest proportion. None of its products in the categories 'Juice', 'Savory Snacks' and 'Sweet Biscuits, Snack Bars and Fruit Snacks' were found to be suitable to be marketed to children.
- In terms of the overall nutritional quality of categories, Campbell's healthiest categories are 'Ready Meals' (3.5), followed by 'Juice' (3.4), with 'Sweet Biscuits, Snack Bars and Fruit Snacks' having the lowest mean HSR of all of Campbell's product categories (1.1).
- Campbell's ranks better on Product Profile (shared rank of 5) than on the Corporate Profile (rank of 10). The difference in score and rank between the two elements of the ATNI methodology shows that while the company has somewhat limited commitments and disclosure about its nutrition-related activities, just under half of its portfolio consists of products which are considered healthy. Nevertheless, the company derives the majority of its sales from products of relatively low nutritional quality and only 28% of its products are suitable to be marketed to children. This clearly indicates that there is further room for improvement in the nutritional profile of its products.

For full details, see the company's Product Profile scorecard.

Disclaimer Global Index 2018

General Disclaimer

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Sustainalytics participated in the data collection and analysis process for the Global Index 2018, contributed to the company scorecards and supported writing the report.

Westat is responsible for the collection of data related to company compliance with the International Code of Marketing of Breast-milk Substitutes and any additional country specific regulations related to marketing of these products in Bangkok, Thailand and Lagos, Nigeria. Westat is responsible for the analysis of the data related to compliance with the BMS Marketing standards and for the preparation of its final study report, the results of which have been incorporated by ATNF into the 2018 Global Access to Nutrition report and the scoring of company performance for the same Index.

The George Institute for Global Health (TGI) is responsible for the data collection for the Product Profile assessment, using data from available databases that was supplemented with data provided by companies to ATNF. TGI is also responsible for the analysis of the data related to the Product Profile and the TGI Product Profile final report, the results of which have been incorporated by ATNF into the 2018 Global Access to Nutrition report. Furthermore, TGI is responsible for the data collection and analysis related to the historic sodium reduction assessment in Australia, the results of which have been incorporated into the Product Profile chapter of the 2018 Global Access to Nutrition report.

Innova Market Insights (Innova) is responsible for the data collection and analysis related to the historic sodium reduction assessment that was performed in four countries, the results of which have been incorporated into the Product Profile chapter of the 2018 Global Access to Nutrition report.

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Footnotes

1. Although Campbell's markets baby food products, it was not included in the BMS assessment because it was estimated to derive less than 5% of its FY2016 revenues from baby food. Campbell's generates less than 5% of its sales in non-OECD countries. Therefore, the company was not assessed on Undernutrition in the Global Index 2018. Scorecard version 2, 31 October 2018.
2. Source: Morningstar, USD historic exchange rate
3. Source: Morningstar