So... Why are we here?
Where have we been?

Where are we going?

Where are the leverage points to make the biggest impact?
10 years ago...

- Few leading companies published “Sustainability” or triple bottom line reports
- Europe was developing a public framework for CSR (Green Paper)
- Financial Times launched FTSE4Good Index
- Globalization, Base of the Pyramid, BRIC
The terminology quagmire

- CSR and Sustainability have many labels…
  - CSR/SR/SA/ESG
  - Sustainability
  - Sustainable Development, Green Development
  - Corporate Citizenship
  - Natural Capitalism, De-growth
  - Social Responsibility
  - Corporate Responsibility
  - Business Ethics, Ethical Sourcing
  - Shared Value
  - Bright Green, Dark Green, Green to Blue, 2.0, 3.0….
  - Triple Bottom Line (TBL)
  - 3 Ps – People, planet, profit

- 10,000 Sustainability Books
- 4,000 Social Responsibility Books
Cross-cutting themes

Resource
Efficiency/increase in margins
Product Stewardship
Life-Cycle Management
Supplier engagement

Economic Growth

Job Creation
Skills Enhancement
Social Investments
Business ethics
Labor efficiency
Employee satisfaction
Strengthening reputations
Productive communities

Eco-efficiency

Environmental Stewardship

Socio-environmental

Socio-economic

Social Progress

Global Climate Change, Access to Potable Water,
Crisis Management, Environmental Justice, impact on biodiversity, public nuisances

Source: World Bank Institute
How do you define Sustainability?

UN Brundtland Commission (1987)

• Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

How do I define these concepts

• CSR & Sustainability are approaches to business operation and innovation that build employee engagement, improve environmental performance, create positive social impacts, enable operational efficiency, reduce cost, foster innovation, strengthen relationships with customers and consumers and ultimately... create business advantage.
The Right Definition = Enterprise Wide Engagement
Drivers are Varied and Complex

• Macro Geo-political
  – Trade, Wealth, Infrastructure, Demographics, Regulatory

• Technical
  – Transparency, Social Media, Targeting, Analytics

• Engagement
  – Consumers, Supply Chain, Investors, Regulators

• Resource/Input Impacts
  – Climate, Population, Depletion, Disruption

• Business
  – Risk, Opportunity, Time to Market, Consumer Generational Trends, Employee Expectations

• Social
  – Health, Education, Poverty, Hunger, Human Rights
# of Middle Class Consumers Expected to Triple by 2030

And Wealth is Unequally Distributed: Population Living on Up to $10

Source: GS 2008

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Social Media, Transparency & Activism
Growing investor interest & awareness

- Socially screened assets up 380% in 15 years to more than $3.07 trillion
- Social funds in the US grew from 201 to 493 from 2005 to 2010
Is Sustainability = Market Performance?

Source: Bloomberg

[Graph showing the comparison between Dow Jones Sustainability Index and Dow Jones Industrial Average from Jan 2000 to Dec 2009.]
GRI Reporting Trends

<table>
<thead>
<tr>
<th>Year</th>
<th># of reports</th>
<th>Growth rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>44</td>
<td>↑ 300%</td>
</tr>
<tr>
<td>2001</td>
<td>122</td>
<td>↑ 177%</td>
</tr>
<tr>
<td>2002</td>
<td>139</td>
<td>↑ 14%</td>
</tr>
<tr>
<td>2003</td>
<td>166</td>
<td>↑ 20%</td>
</tr>
<tr>
<td>2004</td>
<td>274</td>
<td>↑ 65%</td>
</tr>
<tr>
<td>2005</td>
<td>373</td>
<td>↑ 36%</td>
</tr>
<tr>
<td>2006</td>
<td>516</td>
<td>↑ 38%</td>
</tr>
<tr>
<td>2007</td>
<td>709</td>
<td>↑ 37%</td>
</tr>
<tr>
<td>2008</td>
<td>1116</td>
<td>↑ 58%</td>
</tr>
<tr>
<td>2009</td>
<td>1491</td>
<td>↑ 34%</td>
</tr>
<tr>
<td>2010</td>
<td>1818</td>
<td>↑ 22%</td>
</tr>
</tbody>
</table>

* 586 first-time reporters in 2010.

* Data as of March 2, 2011
Characteristics of Advanced Sustainability Strategies

• Integrated into **culture**
• Integrated into **innovation cycle**
• Integrated into **recruitment and leadership development**
• Integrated into **performance management and compensation**
• **Differentiating** and **identifiable** to employees, customers, suppliers and consumers;
• **Integral** to Mission, Values and Strategies
• Reflects discipline and distinctions between “participation” and “**demonstrated leadership**”
• Provides strategic, policy and operational **focus**
• **Leverages** unique strengths and Intellectual capital
Campbell Soup Company

Global Manufacturer

- Healthy Beverages
- Baked Snacks
- Simple Meals

18,000 Employees

Products sold in 100+ Countries
# Campbell by the Numbers

## FINANCIAL HIGHLIGHTS

(millions of dollars, except per share amounts)  

<table>
<thead>
<tr>
<th>Financial Category</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Results of Operations</strong></td>
<td></td>
</tr>
<tr>
<td>Net sales</td>
<td>$ 7,676</td>
</tr>
<tr>
<td>Gross profit</td>
<td>$ 3,150</td>
</tr>
<tr>
<td>Percent of sales</td>
<td>41.0%</td>
</tr>
<tr>
<td>Earnings before interest and taxes</td>
<td>$ 1,348</td>
</tr>
<tr>
<td>Earnings from continuing operations</td>
<td>$ 844</td>
</tr>
<tr>
<td>Per share—diluted</td>
<td>$ 2.42</td>
</tr>
<tr>
<td>Earnings from discontinued operations</td>
<td>$ —</td>
</tr>
<tr>
<td>Per share—diluted</td>
<td>$ —</td>
</tr>
<tr>
<td>Net earnings</td>
<td>$ 844</td>
</tr>
<tr>
<td>Per share—diluted</td>
<td>$ 2.42</td>
</tr>
<tr>
<td><strong>Other Information</strong></td>
<td></td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>$ 1,057</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>$ 315</td>
</tr>
<tr>
<td>Dividends per share</td>
<td>$ 1,075</td>
</tr>
</tbody>
</table>

## Our Strategies

1. Grow our icon brands within simple meals, baked snacks and healthy beverages
2. Deliver higher levels of consumer satisfaction through superior innovation focused on wellness while providing good value, quality and convenience
3. Make our products more broadly available and relevant in existing and new markets, consumer segments and eating occasions
4. Strengthen our business through outside partnerships and acquisitions
5. Increase margins by improving price realization and company-wide total cost management
6. Improve overall organizational excellence, diversity and engagement
7. Advance a powerful commitment to sustainability and corporate social responsibility
Defining Materiality

Prioritize focus areas by importance to Campbell long-term business interests and those most important to our key stakeholders.

Stakeholder Relations & Community  Workplace  Marketplace & Health and Wellness  Environmental Performance & Supply Chain

Marketplace
- Advertising and Labeling
- Nutrition Information
- Responsible Sourcing

Health and Wellness
- Consumer Education
- Disease Prevention

Marketplace
- Total Shareowner Return

Health and Wellness
- Nutrition, Weight Management
- Food Safety & Quality
- Research and Development

Marketplace
- Supply Chain Performance
- Supply Chain Standards

Marketplace
- Consumer and Customer Priorities
- Product and Market Growth

Importance to Campbell's Business

Issues
- Wellness, Nutrition
- Market Performance
- Food Safety
- Quality
- Ingredients
- Sustainable Agriculture
- Weight Management
- Packaging
- Water Use
- Waste Management
- Advertising
- Enterprise Risk Mgt.

- Energy/Climate
- Hunger Relief
- Transparency
- Cause Marketing
- Transportation Infrastructure
- Employee Safety
- Ethics, Corporate Governance
- Labor Relations
- Employee Engagement
- Training and Development
- Diversity
- Education

Identify Issues from a wide range of stakeholders and sources.

Primary Sources

- Camden Community Investment
- Plant Communities
- Human Rights
- Executive Pay
- Political Contributions
- International Trade
- Business Continuity
Campbell's CSR Destination Goals

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

- Anchored in our core competencies and pillars
- Driven by objectives and our associates’ innovation
- Activated by key destinational goals
**Growth of Nutrition and Wellness Product Portfolio ($ in millions)**

- 2008: $1,720
- 2009: $2,029
- 2010: $2,466

Growth of Nutrition and Wellness Product Portfolio includes Organic, Full Vegetable Serving, Light, Low Fat, Healthy Levels of Sodium, Whole Grains.

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**Employees**

- Maintained our world-class employee engagement ratio with a rate of 17:1
- Spent $145 million with women and minority-owned businesses
- Exceeded safety benchmarks in the food industry
-Were honored by the National Business Group on Health for promoting a healthy workplace
- Were recognized by the American Heart Association as a “Fit Friendly Company”
- Provided $1.1 million worldwide in tuition assistance

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**Planets**

- Established a new goal to eliminate 100 million pounds of packaging by 2020
- Reduced our water use by more than 150 million gallons
- Met our U.S. EPA Climate Leaders Goal, reducing CO₂ emissions/production unit by 12% between 2005 and 2010
- Recycled 83% of all waste generated in production
- Eliminated more than 4.5 million pounds of steel, plastic and paper packaging materials

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**Neighbors**

- Logged nearly 20,000 volunteer hours in the U.S.
- Distributed more than $28 million in product donations globally
- Collected 77 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
- Tracked over 310,000 hours of “active” play time through Team Xtreme
Ten Years Hence

Technology
Performance
Governance and Operations
Convergence
Leadership
Technology

• Radical Transparency
• Social Media
• The Empowered Consumer
• Embedded and Traceable Sustainability
Performance

• Zero Waste
• 100% Recyclable
• Carbon Neutral
• Water Neutral
• Bio Based
• All Natural
Governance and Operations

- CSR/Sustainability Competency on Corporate Boards
- Integrated vs. Stand-alone concentration
- Expanded accounting for externalities
- New definitions and metrics for sustainable sourcing
Convergence

- Pharmaceuticals Food > Health
- Consumer Goods > Environmental Impact
- Technology > Impact (+/-)
  - Privacy, Safety, Productivity, Demand Mgt.
- Return to Social Definition of “Product”
Leadership

“A good hockey player plays where the puck is. A great hockey player plays where the puck is going to be.” – W. Gretzky

Business Leaders do the Right Things, Right

Tomorrow’s Leaders will leverage what’s Right, to create Competitive Advantage
CHANGE AHEAD

CONSUMERS • NEIGHBORS • EMPLOYEES • PLANET
Where do we go from here?

• Business
  – Translate into your tangible business value outputs
  – Sustainability as an innovation tool

• Higher Education
  – Applied sustainability concepts, Change management
  – Societal, Business and Policy intersects
  – Spend more time defining and understanding barriers

• Students
  – Define your strengths – What and Where are you successful
  – Study emerging issues
  – Map out entries and trajectories
  – Research, Practice, Communicate…and Communicate more
  – Patience, Plan your next job, not your last
Creating the Future – The Path from Student to Sustainable Business Advantage

Dave Stangis
Vice President CSR/Sustainability
University of Notre Dame
Ten Years Hence
April 1, 2011

CONSUMERS • NEIGHBORS • EMPLOYEES • PLANET