Real food that matters for life's moments

Responsible Sourcing Supplier Code

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INTRODUCTION

What we do every day matters. Families of all kinds rely on our foods. Our people rely on us for a challenging and supportive workplace. Our customers rely on us to help them meet the needs of their customers, profitably. Communities rely on us to help them thrive. And our shareholders rely on us for solid, sustainable returns. We make the biggest impact for all these groups when we set, and meet, high goals—as a business, and as good stewards of the natural resources we all share.

These are the standards we at Campbell strive to uphold:

- Put safety above all else—because if we don’t, nothing else matters.
- Craft every product around the lives of the real people who rely on it: Delicious, readily available when and where they need it, at a fair price.
- Be open and honest about the food we make—transparent about our ingredients and processes, and inclusive in our engagement with the stakeholders who care.
- Never stop looking for ways to improve the ingredients, taste, quality and accessibility of our food.

To live up to those standards, we have committed to becoming a leader in responsible supply chain management and responsible sourcing. It is important to deliver on our commitments to sustainable growth, and in doing so, our Suppliers are an essential part of that journey. We expect all of our Suppliers to be partners in this effort and hold themselves to high standards of social and environmental responsibility. Working together, we can create a positive impact across our value chains.

These guidelines follow many of the expectations outlined in the UN Guiding Principles on Business and Human Rights, the Core Conventions of the International Labor Organization (ILO) and the 10 Principles of the United Nations Global Compact. This Code is an extension of our Supply Base Requirements and Expectations Manual and is the foundation of our Responsible Sourcing Program.

SCOPE

This Code applies to all of Campbell Soup Company’s direct and indirect suppliers, brokers, co-manufacturers/co-packers, re-packers, special packers, warehouses, distributors and licensees in all categories, including their parent, subsidiary or affiliate entities (herein referred to as “Supplier”). Any reference to employee(s) shall be deemed to include temporary labor used or retained. Any reference to Campbell shall be deemed to include all of its entities worldwide.

All Suppliers are expected to adhere to this Code and are responsible for ensuring their practices are consistent with the practices herein. Supplier is responsible for compliance at the facilities it uses to produce product supplied to Campbell. Supplier is required to disclose all facilities that are owned, leased, subcontracted or used in any form to produce any item supplied to Campbell.
COMPLIANCE WITH LAWS

Supplier must comply with all applicable national and local laws and regulations, including, but not limited to those related to labor, immigration, environmental, business practices and health and safety for the industry and region in which it operates. We recognize that our Suppliers operate in different areas of the world and reside in different legal and cultural environments. In all cases, we expect our Suppliers to comply with all applicable legal requirements. Our expectation is that when there is a difference between the terms of the applicable law, and the expectations set forth in this Code, the Supplier is expected to comply with the more stringent applicable requirement. The guidelines set forth here are the minimum required and Suppliers are encouraged to exceed the requirements set forth in this Code.

GUIDELINES

BUSINESS ETHICS

Supplier shall conduct its business in accordance with the highest standards of ethical behavior and in accordance with all applicable laws and regulations in the countries where materials are sourced or services are delivered.

Guidelines:

- Supplier shall comply with all applicable legal requirements, whether local or foreign, that apply to business operations, including the U.S. Foreign Corrupt Practices Act and the UK Bribery Act.
- Supplier shall not engage in collusive bidding, price fixing, price discrimination, or other unfair trade practices in violation of fair competition laws or antitrust laws that govern the jurisdictions in which it conducts business.
- Bribery, kickbacks, corruption, extortion and similar business practices are prohibited.
- Supplier shall ensure grievance mechanisms are in place which allow for the anonymous reporting and management of grievances.
- Supplier shall not retaliate against an employee who speaks out about an issue.
- All subcontractors must be disclosed and engagement in any unauthorized subcontracting is prohibited.
- Supplier shall not offer gifts or anything of value or otherwise not in compliance with our policies to Campbell associates for the purpose of an advantage such as obtaining or retaining business or preferential treatment.
- Suppliers shall not enter into transactions with Campbell employees that may be or appear to be a conflict of interest.
- Supplier shall take appropriate measures to safeguard and maintain confidential and proprietary information of Campbell and use such information only for the purposes authorized for use by Campbell.
**CHILD LABOR**

Supplier shall not employ workers under 16 years of age (or 14 years of age where consistent with International Labor Organization Minimum Age Convention No. 138 and the local law allows such exception) or the age for completing compulsory education.

Guidelines:

- Supplier shall maintain documentation of each individual’s date of birth and must be able to legitimately confirm each individual’s age.
- Supplier shall ensure that workers under 18 do not work in hazardous conditions or in a manner that unreasonably interferes with vocational education. Workers under 18 should work primarily at night.

**VOLUNTARY EMPLOYMENT/ FORCED LABOR**

All labor must be voluntary. Supplier shall not use any prison, slave, bonded, forced or indentured labor, or engage in any other forms of compulsory labor, or any other forms of slavery or human trafficking.

Guidelines:

- The ability of workers to move freely shall not be restricted by supplier through abuse, threats and practices such as retention of passports or valuable possessions in an unlawful manner and without their consent.
- Workers shall work freely, aware of the terms and conditions of their work in advance and must be able to voluntarily end their employment without any restriction or substantial fines for terminating their employment contract.
- Workers shall not be required to pay fees and costs associated with their recruitment.

**ABUSE, HARASSMENT AND DISCIPLINARY ACTION**

All employees are to be treated with respect and dignity and in compliance with local legislation and disciplinary practices.

Guidelines:

- Any form of psychological, physical, sexual or verbal abuse, intimidation, threat or harassment, or any other inhumane or degrading treatment will not be tolerated.
- Supplier shall not establish monetary fines and/or take deductions from wages for disciplinary reasons.

**FAIR AND EQUAL TREATMENT**

Supplier shall ensure fair and equal treatment of all employees. Supplier shall not discriminate on the grounds of criteria such as race, color, caste, religion, gender, age, physical disability, marital status, sexual orientation, political affiliation, union membership or maternity.
Guidelines:

- Supplier shall comply with ILO Equal Remuneration Conventions (No. 100) and ILO Discrimination Convention (No. 111).
- Supplier’s terms and conditions of employment, including hiring, training, working conditions, compensation, benefits, promotions, discipline, termination or retirement shall be based on the individual’s qualifications, performance, skills, and experience.
- Supplier shall not conduct medical tests on employees that can be used to discriminate for an unlawful reason (e.g. pregnancy testing).

**COMPENSATION AND BENEFITS**

Supplier shall fairly compensate all employees with wages, overtime premiums and benefits that meet or exceed all applicable laws or collective agreements. Suppliers are encouraged to provide wages that are sufficient to meet workers’ basic needs and provide some discretionary income for workers and their families.

Guidelines:

- Supplier shall ensure that wages paid for all hours worked meet at least the legal minimum wage or the local industry minimum standards for compensation, whichever is higher.
- Supplier shall pay employees on time, in accordance with legal requirements; in all circumstances, wages must be paid on at least a monthly basis.
- Supplier shall provide each employee with an itemized wage statement upon wage payment. The statement should include, at a minimum, amount of pay, pay period, rate of pay, regular and overtime hours worked, deductions and benefits, if applicable.
- Supplier shall provide all legally mandated benefits such as public holidays, paid vacation/annual leave, sick days and maternity/paternity/family leave.

**WORKING HOURS**

Suppliers must comply with all applicable laws regarding regular working hours, rest periods and overtime hours.

Guidelines:

- Supplier shall provide workers with at least 24 consecutive hours of rest during every seven-day period. If workers are required to work on a rest day due to exigent circumstances including the need for continuity of production or service, workers must receive an equivalent period of compensatory rest immediately following.
- Workers shall not be forced to exceed the applicable legal limit or regular working hours and overtime. No mandatory excess overtime is allowed unless local law provides otherwise.
- Workers shall not be unreasonably required to work overtime and will not be punished, penalized, or dismissed for refusing to work excessive amounts of overtime.
HIRING PRACTICES

Suppliers must utilize ethical hiring practices that include verification of a worker’s age and legal right to work in the country.

Guidelines:

- Suppliers must verify the age of each worker before commencement of employment.
- At the time of hiring, employees are to be informed in writing of the basic terms of employment in a language understood by the employee.
- If foreign or migrant workers are engaged, they are to be employed in full compliance with the labor and immigration laws of the host country.

FREEDOM OF ASSOCIATION

Supplier shall respect the right of employees to form and join trade unions and bargain collectively in a lawful and peaceful manner, subject to and in accordance with applicable law.

Guidelines:

- Supplier shall not discriminate based on affiliation or non-affiliation.
- Supplier shall not allow unlawful interference by management in the organization of workers.

HEALTH AND SAFETY

Supplier shall provide workers with a safe, clean and healthy work environment that complies with all applicable laws pertaining to health and safety in the workplace.

Guidelines:

- Supplier shall provide access to potable drinking water, adequate lighting, safe temperature, ventilation and sanitation. Adequate washing and toilet facilities shall be provided for both males and females.
- Appropriate emergency exits including easily accessible exit doors and stairways shall be available. These exits should be clearly marked and free of any obstructions and not locked.
- Facilities must have fire extinguishing equipment and fire alarms that are adequate for the hazard level of the facility’s operations.
- Supplier shall ensure that appropriate emergency preparedness plans are in place, including emergency training and drills, appropriate first-aid supplies, appropriate fire detection and suppression equipment and adequate exit facilities.
- Supplier shall provide all appropriate personal protection equipment.
- Supplier shall maintain records of health and safety training and accidents and injuries at the workplace.
- When provided by Supplier, dormitory facilities shall be constructed and maintained in accordance with applicable laws and regulations. All dormitory buildings shall be clean and safe,
have appropriate clean toilets and shower facilities, access to potable water, and sanitary food preparation and storage, and adequate heat and ventilation. Workers shall be able to enter and leave the dormitory buildings freely at any hour.

ENVIRONMENTAL

Suppliers shall ensure that manufacturing facilities and operations comply with all applicable environmental laws, including those related to waste disposal (including hazardous waste), air emissions, wastewater and effluents and toxic substances. Supplier is encouraged to go above and beyond the legal requirements and implement plans focused on reducing the use of natural resources.

Guidelines:

- Supplier shall obtain and keep current all required environmental permits.
- Supplier shall ensure the safe handling, movement, storage and disposal of hazardous materials.
- Suppliers shall optimize its consumption of natural resources including energy and water and demonstrate sound measures to prevent pollution and generation of solid waste, wastewater and air emissions.
- Suppliers are encouraged to measure and disclose emissions and reductions targets. Certain suppliers may be required to provide emissions data on an annual basis.

ANIMAL WELFARE

Campbell is committed to the humane treatment of animals and animal welfare is a key part of our vision for an ethical and responsible supply chain. Suppliers are required to implement humane procedures to prevent the mistreatment of animals at all times, including when they are raised, cared for, transported and processed. At a minimum, Suppliers are to provide an environment that is consistent with the “five freedoms” of animal welfare, which are defined as:

1. Freedom from thirst, hunger and malnutrition
2. Freedom from discomfort
3. Freedom from pain, injury and disease
4. Freedom to express normal behavior
5. Freedom from fear and distress

These freedoms are the minimum basis for monitoring and improving animal welfare within the Campbell supply chain. A more comprehensive animal welfare policy is under development and will be communicated separately to applicable suppliers.

AGRICULTURE PRACTICES

Campbell has a long-standing history of working closely with many of its farmers to ensure the production of high-quality crops. Building on this legacy, we are committed to partnering with our
growers to develop and improve practices in sustainable agriculture, which will ensure that affordable, high-quality foods are available for future generations. Our agricultural Suppliers may be subject to separate agricultural standards which are currently under development.

**ADDITIONAL STANDARDS**

This Code should be considered a benchmark and the minimum standards to be followed. We may also develop more detailed guidelines for specific direct inputs that may be presented alongside this document as a further requirement for Suppliers in high or intermediate risk categories, or for those ingredients we deem as key to our business. This Code shall be deemed to be a supplement to any contract between Campbell and the applicable party. In the event of an inconsistency, the underlying contract will apply.

**OTHER RESPONSIBILITIES**

**COMMUNICATION OF THIS CODE**

Suppliers are expected to inform workers about the expectations outlined in this Code. How a Supplier chooses to do so may include prominently posting the Code in the workplace in an area accessible to workers, conducting group or individual meetings or trainings to review and explain the Code, or communicating via online channels such as a company intranet.

**REPORTING VIOLATIONS**

Supplier is expected to immediately advise Campbell of any issues that may arise related to this Code, specifically any violations that may occur. You may report a violation via e-mail using the following address: responsible_sourcing@campbellsoup.com. Anonymous reports may also be made via our Integrity Hotline, which is operated by an independent company that specializes in handling calls of this type. It operates 24 hours a day, seven days a week, and has translation services available at all times. The Hotline can be accessed:

- via telephone at: 1-800-210-2173
- via computer at: https://www.compliance-helpline.com/CampbellSoupCompany.jsp

We also believe that the workers within our supply chain should have the opportunity to confidentially report concerns that may be in violation with this Code. Supplier shall make the above contact information available to its workers and inform them that communications may be made on an anonymous basis.

**COMPLIANCE MONITORING**

All Suppliers are expected to comply with this Code at all times. To ensure compliance with this Code, Campbell will use a step-based approach which places more emphasis on higher-risk suppliers.

**STEP 1: RISK ASSESSMENT**
Campbell will utilize a two-part risk assessment to determine a Supplier’s potential for social and environmental risks. The first part will take into consideration a variety of factors including Supplier’s country, industry specific risks and a Supplier’s compliance management systems. Based on the initial screening, a Supplier Self-Assessment Questionnaire may be used to further analyze Suppliers who are initially designated as medium or higher risk. This may come directly from Campbell or a third-party vendor under direction from Campbell. Supplier is responsible for completing the questionnaire accurately and within 30 days. Based on these assessments, each Supplier will be designated as lower, medium, or higher risk. All new suppliers will receive an initial assessment before becoming a Campbell Supplier and Suppliers may be subject to re-assessment annually.

**STEP 2: AUDITS**

Any Supplier may be subject to a Responsible Sourcing audit at any time, but our program is designed to allocate audit resources based on risk. This will allow us to make the biggest impact in mitigating risks in our supply chain.

The risk category assigned to a Supplier in Step 1 above will determine the requirements of Supplier under our Responsible Sourcing Audit Program.

- **Lower Risk:** Suppliers in this category will not likely be required to complete a Responsible Sourcing audit on a consistent schedule. Each year we may choose a select sample of Suppliers in this category to receive an audit.

- **Medium Risk:** Suppliers with this designation may be required to either complete either a desktop audit or a site-based audit based on the results of the Supplier Self-Assessment.

- **Higher Risk:** Suppliers who are designated as higher risk will be required to complete a Responsible Sourcing audit.

If it is determined that Supplier is required to undergo a Responsible Sourcing audit, Supplier shall use the third-party audit firm as selected by Campbell. We will, however, be willing to discuss mutual recognition of audits performed within the previous 180 days according to globally-recognized frameworks such as SMETA and by fully-qualified organizations. We will also accept SA8000 certification. It is expected that Supplier will fully cooperate and provide auditors with the appropriate records requested and allow for confidential interviews in connection with the audits.

**STEP 3: CORRECTIVE ACTIONS & CONSEQUENCES**

Responsible Sourcing audits will be reviewed and given a color rating which is dependent on the severity of the audit findings. This rating will be provided to Supplier, who will then be responsible for remediating any findings. This rating system will help us to determine consequences and audit frequency of a Supplier. Below is a description of the audit ratings and associated actions:
Green: A green audit rating indicates that the facility is highly compliant with the standards outlined in this Code and any violation is minor in nature. No corrective action plan is needed and an annual audit is likely not necessary.

Yellow: A yellow audit rating identifies facilities that are generally compliant with this Code, but have failed to meet at least one significant requirement. A corrective action plan is likely necessary, and pending the outcome of the corrective action plan, an annual audit is likely not necessary.

Orange: An orange audit rating identifies facilities where there are multiple violations of the Code, which are deemed serious. A corrective action plan will be issued to Supplier and the violations must be remediated.

Red: A red audit rating indicates that at least one severe violation has been identified that may make it appropriate to temporarily or permanently terminate the facility’s sourcing relationship with Campbell.

If a Corrective Action Plan is issued, Supplier must submit a response and plan that includes a timeframe for correcting the violations identified. Campbell will review and approve Supplier’s action plan and set forth a target date for re-evaluation. This timeframe for any corrective action or re-evaluation may be extended at Campbell’s sole discretion. Supplier’s failure to implement the recommended corrective actions may result, at Campbell’s sole discretion, in the right to suspend any purchases from Supplier until the corrective actions have been implemented or to terminate the relationship with Supplier.

If the relationship between Campbell and the Supplier is terminated due to non-compliance with this Code, Campbell may consider resuming business only after an audit satisfactory to Campbell has been completed. However, a plan for continuous improvement may be required.

Suppliers are responsible for educating and monitoring their vendors, subcontractors and independent contractors. Any fees related to the audits or Supplier Self-Assessments will be the responsibility of the Supplier. We have worked with our audit partners to negotiate reasonable rates consistent with sector norms and we may allow for mutual recognition of previously completed audits.

**TRANSPARENCY AND TRACEABILITY**

Campbell is committed to transparency in its operations and throughout the supply chain. Our transparent approach to business is important to our stakeholders and we expect the same of our suppliers. We are also committed to moving toward a fully traceable supply chain. If requested, Supplier shall disclose the geographical location of facilities producing raw materials for Campbell, as well as the origin of raw materials within the Suppliers’ own direct supply chain. We may also ask Suppliers to provide mapping back to the origin of materials to assess upstream supply chain compliance. If you are unable to comply with this today, we expect you to begin putting capabilities in place to do so.
ACKNOWLEDGEMENT

Acknowledgement of this Code is a prerequisite in every Campbell supplier or vendor contract. By entering into a contract with Campbell, Supplier and its operations are subject to the provisions contained in this Code. This Code, or the demonstration of its compliance, does not create any third-party beneficiary rights for the Supplier. The standards outlined in this Code are in addition to, and not in lieu of, provisions of any legal agreement or contract between Suppliers and Campbell. This Code does not replace, but is an accompaniment to the Supply Base Requirements and Expectations Manual.

We, the undersigned hereby confirm that:

- We have received and reviewed of the contents in Campbell’s Responsible Sourcing Supplier Code.
- We are aware of all relevant laws and regulations of the countries in which our company operates.
- We will promptly notify Campbell of any violations of this Code.
- We will comply with Campbell’s Responsible Sourcing Code.
- We will inform all relevant employees and any subcontractors of this Code and will ensure compliance with the provisions incorporated herein.

Company: _____________________________________________

Name & Title: ___________________________________________

Signature: _____________________________________________

Email: _________________________________________________

Date: ___________________________________________________
REFERENCES

The following sources were used in the preparation of this Responsible Sourcing Code and provide additional information that may be useful to Supplier:

International Labour Organization Freedom of Association and Protection of the Right to Organise Convention (No. 87)

International Labour Organization Right to Organise and Collective Bargaining Convention (No. 98)

International Labour Organization Forced Labour Convention (No. 29)

International Labour Organization Abolition of Forced Labour Convention (No. 105)

International Labour Organization Minimum Age Convention (No. 138)

International Labour Organization Worst Forms of Child Labour (No. 182)

International Labour Organization Equal Remuneration Convention (No. 100)

International Labour Organization Discrimination (Employment and Occupation) Convention (No. 111)

ILO Private Employment Agencies Convention No. 181

United Nations Framework and Guiding Principles on Business and Human Rights

United Nations Global Compact Guiding Principles

OECD Guidelines for Multinational Enterprises
Questions?
responsible_sourcing@campbellsoup.com