

CAMPBELL SOUP CO  
Form DEF 14A  
October 09, 2008

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
SCHEDULE 14A  
Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934 (Amendment No. )**

- Filed by the Registrant   
Filed by a party other than the Registrant   
Check the appropriate box:  
 Preliminary Proxy Statement  
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**CAMPBELL SOUP COMPANY**

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required  
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(1) Title of each class of securities to which transaction applies:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:



**Campbell Soup Company  
1 Campbell Place  
Camden, New Jersey 08103-1799  
856-342-4800**

**October 9, 2008**

**Notice of Annual Meeting of Shareowners**

**Thursday, November 20, 2008  
11:30 a.m. Eastern Time  
Hilton Stamford Hotel and Executive Meeting Center  
One First Stamford Place  
Stamford, CT 06902**

**AGENDA**

- 1. Elect Directors.**
- 2. Ratify appointment of independent registered public accounting firm.**
- 3. Approve amendment of the 2005 Long-Term Incentive Plan.**
- 4. Approve performance goals for the 2003 Long-Term Incentive Plan.**
- 5. Transact any other business properly brought before the meeting.**

Shareowners of record at the close of business on September 23, 2008 are entitled to receive notice of the meeting and to vote. This year the Company has decided to provide access to its proxy materials, including its annual report, to certain shareowners of record, depending upon the number of shares held by the shareowner and including certain Company savings plan participants, via the Internet instead of mailing those shareowners copies of the materials. The Company expects that this will reduce the amount of paper necessary to produce the materials, as well as the costs associated with mailing the materials to all shareowners. On or about October 9, 2008, the Company began mailing a Notice of Internet Availability of Proxy Materials ( e-proxy notice ) to certain shareowners of record and posted its proxy materials for those shareowners on the Web site referenced in the e-proxy notice ([www.envisionreports.com/cpb](http://www.envisionreports.com/cpb)). On or about October 9, 2008, the Company also began delivering the proxy statement and the accompanying proxy card to the remaining shareowners of record. If you do not own shares in your own name, you may access the Company's Notice of Annual Meeting and Proxy Statement and its annual report, including the Form 10-K for the fiscal year ended August 3, 2008 at [www.edocumentview.com/cpb](http://www.edocumentview.com/cpb).

Your vote is important. In order to have as many shares as possible represented, kindly **SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD IN THE ENVELOPE PROVIDED OR VOTE BY PHONE OR THE INTERNET** (see instructions on your proxy card or e-proxy notice).

By Order of the Board of Directors,

John J. Furey  
Vice President and Corporate Secretary

**Important.**

Please note that an admission ticket is required in order to attend the Annual Meeting. If you plan to attend, please request a ticket. If shares were registered in your name as of September 23, 2008, please check the appropriate box on your proxy card or when voting on the Internet, or indicate when prompted if voting by telephone. A ticket of admission will be forwarded to you. If your shares are held in the name of a broker or other nominee, please follow the instructions on page 65 to obtain an admission ticket. If you plan to attend the meeting, please bring government-issued photographic identification. You will need an admission ticket and this identification in order to be admitted to the meeting.

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n Denotes items to be voted on at the meeting.

**Shareowners may receive copies of the Company's Annual Report on Form 10-K for the year ended August 3, 2008, Code of Business Conduct and Ethics, Corporate Governance Standards, and the charters of the four standing committees of the Board of Directors, also without charge, by:**

- (1) writing to Investor Relations, Campbell Soup Company, 1 Campbell Place, Camden, NJ 08103-1799;**
- (2) calling 1-888-SIP-SOUP (1-888-747-7687); or**
- (3) leaving a message on Campbell's home page at [www.campbellsoupcompany.com](http://www.campbellsoupcompany.com).**

**These documents are also available in the governance section of the Company's Web site at [www.campbellsoupcompany.com](http://www.campbellsoupcompany.com).**

**Shareowners may elect to receive future distributions of annual reports and proxy statements by electronic delivery and vote Campbell shares on-line. To take advantage of this service you will need an electronic mail**

**(e-mail) account and access to an Internet browser. To enroll, go to the investor center section on [www.campbellsoupcompany.com](http://www.campbellsoupcompany.com) and click on E-Delivery of Materials. If your shares are registered in your name, you will be asked to enter your account number, which is printed on your dividend check or Dividend Reinvestment Statement. If your shares are held by a broker, you will need your account number with the broker.**

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**Item 1****Election of Directors****The Board of Directors Recommends a Vote For ALL Nominees**

The Board of Directors of the Company, pursuant to the By-Laws, has determined that the number of directors of the Company shall be 14. The directors are to be elected to hold office until the next Annual Meeting of the Shareowners and until their successors are elected and shall have qualified. Directors are elected by a plurality of the votes cast. Except as otherwise specified in the proxy, proxies will be voted for election of the nominees named below.

Fourteen of the current directors are standing for reelection. The Company's Corporate Governance Standards include a mandatory retirement age for directors. Under the Standards, a director may not stand for reelection if he or she would be age 72 or over at the time of election. Philip E. Lippincott has reached our mandatory retirement age and will retire on November 20, 2008.

All of the nominees are independent directors, except for Mr. Conant. If a nominee becomes unable or unwilling to serve, proxies will be voted for election of such person as shall be designated by the Board of Directors. Management knows of no reason why any nominee shall be unable or unwilling to serve.

The following table sets forth certain information concerning the nominees at October 1, 2008:

Name	(1) Principal Occupation or Employment	Age	Director
	(2) Other Business Affiliations		Since
Edmund M. Carpenter	(1) Retired President and Chief Executive Officer of Barnes Group, Inc. (1998-2006). Previously Senior Managing Director of Clayton Dubilier & Rice. Former Chairman and Chief Executive Officer of General Signal Corporation.  (2) Director of Altra Holdings, Inc.	66	1990
Paul R. Charron	(1) Retired Chairman (1996-2006) and Chief Executive Officer (1995-2006) of Liz Claiborne Inc.	66	2003

Name	(1) Principal Occupation or Employment (2) Other Business Affiliations	Age	Director Since
Douglas R. Conant	(1) President and Chief Executive Officer of Campbell Soup Company since January 2001. Previously President of Nabisco Foods Company.	57	2001
Bennett Dorrance	(1) Private investor and Chairman and Managing Director of DMB Associates in Phoenix, Arizona.  (2) Director of Insight Enterprises, Inc.	62	1989
Harvey Golub	(1) Non-executive Chairman of Campbell Soup Company since November 2004. Retired Chairman and Chief Executive Officer of American Express Company (1993-2001).	69	1996
Randall W. Larrimore	(1) Former non-executive Chairman of Olin Corporation (2003-2005). Retired President and Chief Executive Officer of United Stationers Inc. (1997-2003).  (2) Director of Olin Corporation.	61	2002

Name	(1) Principal Occupation or Employment (2) Other Business Affiliations	Age	Director Since
Mary Alice D. Malone	(1) Private investor and President of Iron Spring Farm, Inc.	58	1990
Sara Mathew	(1) President and Chief Operating Officer (since March 2007) of The Dun and Bradstreet Corporation and Former Chief Financial Officer (2001-2007) and President-U.S. (2006-2007) of D&B. Previously Vice President Finance, ASEAN Region, The Procter & Gamble Company.	53	2005
David C. Patterson	(1) Founder and Chairman, Brandywine Trust Company since 1989.	60	2002
Charles R. Perrin	(1) Non-executive Chairman of Warnaco Group, Inc. since March 2004. Retired Chairman and Chief Executive Officer of Avon Products, Inc. (1998-1999). Former Chairman and Chief Executive Officer of Duracell International, Inc. (1994-1996).  (2) Director of Warnaco Group, Inc.	63	1999

Name	(1) Principal Occupation or Employment (2) Other Business Affiliations	Age	Director Since
A. Barry Rand	(1) Retired Chairman and Chief Executive Officer of Equitant, Inc. (2003-2005). Previously Chairman and Chief Executive Officer of Avis Group (1999-2001).  (2) Director of Agilent Technologies, Inc.	63	2005
George Strawbridge, Jr.	(1) Private investor and President of Augustin Stables, Inc.	70	1988
Les C. Vinney	(1) Senior Advisor of STERIS Corporation. Former President and Chief Executive Officer of STERIS from 2000 to October 1, 2007. Previously Senior Vice President, Finance and Operations, of STERIS. Former Senior Vice President and Chief Financial Officer of the B.F. Goodrich Company.	59	2003
Charlotte C. Weber	(1) Private investor and President and Chief Executive Officer of Live Oak Properties.	65	1990

### Security Ownership of Directors and Executive Officers

The following table sets forth information regarding beneficial ownership as of the record date of Campbell's Capital Stock by: each director; the Company's Chief Executive Officer, Chief Financial Officer and the three most highly compensated other executive officers; and the directors and executive officers as a group. The table also sets forth Campbell stock units credited to the individual's deferred compensation account. The account reflects the deferral of previously earned compensation and/or pending awards of restricted stock into Campbell stock units. The individuals are fully at risk as to the price of Campbell stock in their deferred stock accounts. Additional stock units are credited to the accounts to reflect accrual of dividends. The stock units do not carry any voting rights. Unrestricted deferred Campbell stock units are included in calculating the stock ownership required by the Company for directors and executives.

	Number of Shares	Vested Options as of November 23, 2008(a)	Total Beneficial(a)	Campbell Stock Deferred	Total Number of Shares and Deferred Stock
Edmund M. Carpenter	16,866	78,513	95,379	14,621	110,000
Paul R. Charron	2,000	24,381	26,381	9,484	35,865
Douglas R. Conant	200,767	3,991,675	4,192,442	776,895	4,969,337
Bennett Dorrance(b)	48,130,029	91,186	48,221,215	19,872	48,241,087
Harvey Golub	4,812	101,411	106,223	75,941	182,164
Randall W. Larrimore	12,212	32,516	44,728	0	44,728
Phillip E. Lippincott	35,813	93,741	129,554	5,257	134,811
Mary Alice D. Malone(c)	54,119,595	50,266	54,169,861	26,231	54,196,092
Sara Mathew	0	6,201	6,201	11,151	17,352
David C. Patterson(d)	30,207,486	40,649	30,248,135	0	30,248,135
Charles R. Perrin	10,000	49,433	59,433	18,227	77,660
A. Barry Rand	0	6,201	6,201	6,409	12,610
George Strawbridge, Jr.(e)	8,102,359	95,772	8,198,131	4,300	8,202,431
Les C. Vinney	11,532	25,362	36,894	0	36,894
Charlotte C. Weber(f)	15,485,214	50,266	15,535,480	16,027	15,551,507
Ellen O. Kaden	190,535	451,400	641,935	35,715	677,650
Robert A. Schiffner	218,362	439,750	658,112	3,515	661,627
Larry S. McWilliams	193,510	314,945	508,455	2,454	510,909
Denise M. Morrison	136,043	168,400	304,443	17,867	322,310
<b>*TOTAL</b>	<b>158,655,395</b>	<b>7,192,538</b>	<b>165,847,933</b>	<b>1,300,949</b>	<b>167,148,882</b>

\*All directors and executive officers  
as a group (26 persons)

(a) The shares shown include shares of Campbell stock as to which directors and executive officers can acquire beneficial ownership because of stock options that are currently vested or that will vest as of November 23, 2008.

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All persons listed own less than 1% of the Company's outstanding shares of capital stock, except:

	<b>% of Outstanding Shares</b>
Bennett Dorrance	13.4%
Mary Alice D. Malone	15.0%
David C. Patterson	8.4%
George Strawbridge, Jr.	2.3%
Charlotte C. Weber	4.3%

All directors and executive officers (26 persons) as a group beneficially own 45.9% of the outstanding shares.

- (b) Bennett Dorrance is a grandson of John T. Dorrance, the brother of Mary Alice D. Malone, and a first cousin of George Strawbridge and Charlotte C. Weber. Share ownership shown includes 29,569,355 shares that are pledged to banks as collateral for loans. Share ownership shown does not include 1,105,142 shares held by trusts for his children, as to which shares he disclaims beneficial ownership. Share ownership shown does not include shares held by the Dorrance Family Foundation. See also *Principal Shareowners* below.
- (c) Mary Alice D. Malone is a granddaughter of John T. Dorrance, the sister of Bennett Dorrance and a first cousin of George Strawbridge and Charlotte C. Weber. Share ownership shown does not include 134,609 shares held by trusts for her children, as to which shares she disclaims beneficial ownership. See also *Principal Shareowners* below.
- (d) Share ownership shown for David C. Patterson includes 29,881,262 shares held by the Voting Trust (defined in *Principal Shareowners* below) over which he, as a Trustee, has shared voting power. Reference is also made to *Principal Shareowners*. In 2002 the Voting Trust described below recommended that the Company's Governance Committee nominate David C. Patterson as a candidate for election as a director. Also includes 313,978 shares held by the Brandywine Trust Company of which Mr. Patterson is the Chairman and for which he has shared dispositive power, and 34 shares held by ABANCO Management Corporation of which he is President.
- (e) George Strawbridge is a grandson of John T. Dorrance and a first cousin of Charlotte C. Weber, Bennett Dorrance and Mary Alice D. Malone. Share ownership shown does not include 10,131,559 shares held by various trusts, of which he is a trustee, for the benefit of his sister, as to which shares he disclaims beneficial ownership. Share ownership shown does not include 3,000 shares held by a trust for the benefit of his wife, 273,092 shares held by trusts for the benefit of his sons, and 2,142,320 shares held by trusts for the benefit of his descendants, all as to which shares he disclaims beneficial ownership.
- (f) Charlotte C. Weber is a granddaughter of John T. Dorrance and a first cousin of George Strawbridge, Bennett Dorrance and Mary Alice D. Malone. Share ownership shown includes 15,451,708 shares held indirectly and for which she has shared voting and dispositive power. Share ownership shown includes 1,390,000 shares that are pledged to a bank as security for a revolving credit loan.

### Security Ownership of Certain Beneficial Owners

At the close of business on September 23, 2008, the record date for the meeting, there were outstanding and entitled to vote 360,949,300 shares of Campbell Capital Stock, all of one class and each having one vote. The holders of a majority of the shares outstanding and entitled to vote, present in person or represented by proxy, constitute a quorum for the meeting.

#### Principal Shareowners

Information concerning the owners of more than 5% of the outstanding Campbell Common Stock as of the record date for the meeting follows:

Name/Address	Amount/Nature of Beneficial Ownership	Percent of Outstanding Stock
Bennett Dorrance DMB Associates 7600 E. Doubletree Ranch Road Scottsdale, AZ 85258	48,221,215 Note (1)	13.4%
Mary Alice D. Malone Iron Spring Farm, Inc. 75 Old Stottsville Road Coatesville, PA 19320	54,169,861 Note (2)	15.0%
John A. van Beuren and David C Patterson, Voting Trustees under the Major Stockholders Voting Trust dated as of June 2, 1990 ( Voting Trust ) and related persons P.O. Box 4098 Middletown, RI 02842 Note(4)	34,601,038 Note (3)	9.6%

- (1) A director nominee. See note (b) on page 6. The shares shown include 91,186 shares with respect to which Bennett Dorrance has the right to acquire beneficial ownership because of vested stock options.
- (2) A director nominee. See note (c) on page 6. The shares shown include 50,266 shares with respect to which Mary Alice D. Malone has the right to acquire beneficial ownership because of vested stock options.
- (3) David C. Patterson is a director nominee. See note (d) on page 6. Includes 29,881,262 shares (8.3% of the outstanding shares) held by the Voting Trustees with sole voting power and 4,719,776 shares held by participants outside the Voting Trust or by persons related to them, for a total of 34,601,038 shares (9.6% of the outstanding shares). Includes 4,785,988 shares with sole dispositive power held by Hope H. van Beuren and 5,222,801 shares with sole dispositive power held by her husband, John van Beuren, P.O. Box 4098, Middletown, RI 02842. John and Hope van Beuren also hold 7,644,775 shares with shared dispositive power, including shares held by family

partnerships, family trusts and a foundation. David C. Patterson has shared dispositive power over 313,978 shares as Chairman of Brandywine Trust Company, a corporate trustee, and 34 shares as President of ABANCO Management Corporation. Participants in the Voting Trust have certain rights to withdraw shares deposited with the Voting Trustees, including the right to withdraw these shares prior to any annual or special meeting of the Company's shareowners. Dispositive power as used above means the power to direct the sale of the shares; in some cases it does not include the power to direct how the proceeds of a sale can be used. The Voting Trust was formed by certain descendants (and spouses, fiduciaries and a related foundation) of the late John T. Dorrance. The participants have indicated that they formed the Voting Trust as a vehicle for acting together as to matters which may arise affecting the Company's business, in order to obtain their objective of maximizing the value of their shares. The Trustees will act for participants in communications with the Company's Board of Directors. Participants believe the Voting Trust may also facilitate communications between the Board and the participants.

- (4) Under the Voting Trust Agreement, all shares held by the Voting Trust will be voted by the Trustees, whose decision must be approved by two Trustees if there are two Trustees then acting. The Voting Trust continues until December 31, 2013, unless it is sooner terminated or extended.

The foregoing information relating to Principal Shareowners is based upon the Company's stock records and data supplied to the Company by the holders as of the record date for the meeting.

### **Corporate Governance**

The Board of Directors is responsible for overseeing the business of the Company, and the competence and integrity of its management, to serve the long-term interests of the shareowners. The Board believes that sound corporate governance is essential to diligent and effective fulfillment of its oversight responsibilities.

#### **Corporate Governance Standards and Committee Charters**

Campbell first published the Corporate Governance Standards in its proxy statement in 1992. The Standards are reviewed annually by the Governance Committee and approved by the Board. In 2003, the Governance Committee and the Board undertook a comprehensive review of the Corporate Governance Standards, the charters of the standing committees, and the overall governance structure of the Company, in light of new statutory and regulatory requirements, proposed new rules and recommendations of the New York Stock Exchange, and the ongoing discussion of effective means for raising the standards of governance of public companies. Revised Corporate Governance Standards and committee charters that were developed and approved by the Board in the course of that review were included in the 2003 proxy statement. In 2004, these documents were further revised to reflect the provisions of the final New York Stock Exchange Corporate Governance Listing Standards approved by the Securities and Exchange Commission in November 2003. Additional modifications have been made since that time to take account of subsequent changes in regulatory requirements and the Board's experience with the revised governance procedures.

The Company's current Corporate Governance Standards appear in Appendix A. Also set forth in Appendix A are procedures by which interested persons can communicate concerns to the Board of Directors and the Audit Committee.

#### **Director Independence**

A statement of standards that the Board has adopted to assist it in evaluating the independence of Campbell directors is set forth in Appendix A, and appears in the governance section of the Company's Web site at [www.campbellsoupcompany.com](http://www.campbellsoupcompany.com). The Standards for the Determination of Director Independence (the Standards) describe various types of relationships that could potentially exist between a director and the Company, and define the thresholds at which such relationships would be deemed material. The Board will deem a director to be independent if (i) no relationship exists that would disqualify the director under the guidelines set forth in paragraphs 1 and 2 of the Standards, and (ii) the Board has determined that, based on all relevant facts and circumstances, any other relationship between the director and the Company, not covered by paragraphs 1 and 2, is not material. In any case in which the Board makes the latter determination, the relationship will be disclosed in the proxy statement, along with the basis for the Board's conclusion that it is not material.

The Board has determined that no relationship exists between the Company and any nominee for director listed in this proxy statement, except Mr. Conant, that would influence or impair the nominee's independence as a director. In making this determination, the Board considered certain transactions or relationships between the Company and entities in which individual nominees serve as a director, executive officer or operating partner, including transactions

or relationships involving purchases by the Company of product ingredients or packaging supplies (Messrs. Carpenter and Patterson), sterilization materials or services (Mr. Vinney), business information services and advertising (Mr. Golub and Ms. Mathew), and information technology services (Messrs. Dorrance and Rand). In each case, the aggregate dollar amounts of the purchases are not material to the Company or the entity from which they are made, and the nominee plays no role in any of the transactions.

The Board has determined that each of the following director nominees is independent under the rules of the New York Stock Exchange and the Standards set forth in Appendix A:

Edmund M. Carpenter  
Paul R. Charron  
Bennett Dorrance  
Harvey Golub  
Randall W. Larrimore  
Mary Alice D. Malone  
Sara Mathew

David C. Patterson  
Charles R. Perrin  
A. Barry Rand  
George Strawbridge, Jr.  
Les C. Vinney  
Charlotte C. Weber

### **Board Committees**

Pursuant to the By-Laws, the Board had established four standing committees as of the record date, which are the Audit Committee, the Compensation and Organization Committee, the Finance and Corporate Development Committee, and the Governance Committee. Each of the standing committees has a charter that is reviewed annually by the committee. Proposed changes to the charter of any standing committee are reviewed by the Governance Committee and approved by the Board. The committee charters are available in the governance section of the Company's Web site at [www.campbellsoupcompany.com](http://www.campbellsoupcompany.com).

All members of the Audit Committee, the Compensation and Organization Committee and the Governance Committee are independent directors as defined by the rules of the New York Stock Exchange and the Standards set forth in Appendix A. All members of the Audit Committee also satisfy the independence requirements for audit committee members set forth in the rules of the Securities and Exchange Commission.

Membership in the standing committees as of the record date, September 23, 2008, was as follows:

#### **Audit**

Les C. Vinney, Chair\*  
Randall W. Larrimore  
Philip E. Lippincott  
Sara Mathew  
George Strawbridge, Jr.

#### **Compensation and Organization**

Paul R. Charron, Chair  
Edmund M. Carpenter  
Bennett Dorrance  
Philip E. Lippincott  
Charles R. Perrin  
A. Barry Rand  
Charlotte C. Weber

#### **Finance and Corporate Development**

Edmund M. Carpenter, Chair  
Paul R. Charron  
Douglas R. Conant  
Mary Alice D. Malone  
Sara Mathew  
David C. Patterson

#### **Governance**

Charles R. Perrin, Chair  
Bennett Dorrance  
Randall W. Larrimore  
Mary Alice D. Malone  
David C. Patterson  
Les C. Vinney

A. Barry Rand  
George Strawbridge, Jr.

Charlotte C. Weber

\* The Board has determined that Les C. Vinney is an audit committee financial expert as defined by the SEC rules.

The principal responsibilities of the standing committees, and the number of meetings held by each committee in fiscal 2008, were as follows:

**Audit Committee** 11 meetings in fiscal 2008

- 1 Evaluates the performance of and selects the Company's independent registered public accounting firm, subject only to ratification by the shareowners;
- 1 Reviews the scope and results of the audit plans of the independent registered public accounting firm and the internal auditors;
- 1 Oversees the adequacy and effectiveness of the Company's internal controls and disclosure controls and procedures;
- 1 Reviews the performance and resources of the internal audit function, which reports directly to the Committee;
- 1 Confers independently with the internal auditors and the independent registered public accounting firm;
- 1 Reviews the Company's financial reporting and accounting principles and standards and the audited financial statements to be included in the annual report;
- 1 Reviews the Company's quarterly financial results and related disclosures;
- 1 Approves all permissible non-audit services to be performed by the independent registered public accounting firm and all relationships the independent registered public accounting firm has with the Company;
- 1 Determines the appropriateness of fees for audit and non-audit services performed by the independent registered public accounting firm; and
- 1 Reviews the Company's compliance and ethics program and Code of Business Conduct and Ethics.

**Compensation and Organization Committee** 5 meetings in fiscal 2008

- 1 Conducts an annual performance evaluation of the Chief Executive Officer by all independent directors;
- 1 Determines and approves the salary and incentive compensation, including bonus and performance restricted stock, for the Chief Executive Officer, with input from the other independent directors;
- 1 Reviews and approves the salaries and incentive compensation for senior executives;
- 1 Reviews and approves the short-term and long-term incentive compensation programs, including the performance goals;
- 1 Reviews the executive salary structure and the apportionment of compensation among salary and short-term and long-term incentive compensation;
- 1 Reviews and approves the total incentive compensation to be allocated annually to employees;

- 1 Reviews and recommends to the Board significant changes in the design of employee benefit plans;
- 1 Reviews major organizational changes; and
- 1 Reviews executive organization and principal programs for executive development, and annually reports to the Board on management development and succession planning.

The Compensation and Organization Committee approves the Company's compensation policies and executive compensation programs, and approves all individual compensation actions for approximately the top 25 most highly compensated executives. The CEO and the Senior Vice President and Chief Human Resources and Communications Officer make recommendations to the Committee on compensation

actions for the Company's senior executives and on potential changes in the design of executive compensation programs. The Chair of the Committee is authorized to approve compensation actions for senior executives between Committee meetings when necessary for business continuity. Approval of both the Chair of the Committee and the Chairman of the Board is required for equity grants made to senior executives in such circumstances.

In fiscal 2008, the Compensation and Organization Committee received advice on CEO compensation, compensation trends and policy issues, and projects of current interest to the Committee, from an independent compensation consultant, Yale D. Tauber, the Principal of Independent Compensation Committee Adviser, LLC. Mr. Tauber has been retained directly by the Committee and reports directly to the Committee. The Committee's compensation consultant provides no services to management.

For an expanded discussion of the process by which the Compensation and Organization Committee determines executive compensation, and the roles of executive officers and the Committee's independent compensation consultant in determining executive compensation in fiscal 2008, see Corporate Governance of Executive Compensation on page 18.

#### **Finance and Corporate Development Committee**

6 meetings in fiscal 2008

- 1 Reviews and recommends to the Board all issuances, sales or repurchases of equity and long-term debt;
- 1 Reviews and recommends changes in the Company's capital structure;
- 1 Reviews and recommends the financing plan, dividend policy, capital budget and capital expenditure program;
- 1 Reviews and recommends acquisitions, divestitures, joint ventures, partnerships or combinations of business interests;
- 1 Reviews financial risks and the Company's principal policies, procedures and controls with respect to investment and derivatives, foreign exchanges and hedging transactions;
- 1 Recommends proposed appointments to the Administrative Committee of the Company's 401(k) savings plans and pension plans; and
- 1 Oversees the administration and the investment policies and practices of the Company's 401(k) savings plans and pension plans.

#### **Governance Committee**

5 meetings in fiscal 2008

Reviews and makes recommendations to the Board regarding:

- 1 The organization and structure of the Board;
- 1 Qualifications for director candidates;
- 1 Candidates for election to the Board;
- 1 Evaluation of the Chairman's performance;
- 1 Candidate for the position of Chairman of the Board;

- 1 Chairpersons and members for appointment to the Board Committees;
- 1 Remuneration for Board members who are not employees; and
- 1 The role and effectiveness of the Board, the respective Board Committees and the individual directors in the Company's corporate governance process.

The Governance Committee determines the amount and design of all compensation provided to independent directors. The Senior Vice President-Law and Government Affairs and the Vice President &

Corporate Secretary make recommendations to the Governance Committee regarding changes to the director compensation program. The Governance Committee also reviews any transaction with a related person, in accordance with the Board's policy concerning such transactions.

The Governance Committee seeks potential nominees for Board membership in various ways and will consider suggestions submitted by shareowners. See page 14 regarding the procedures for submitting nominee information.

Actions taken by any of the standing committees are reported to the Board. Generally, all members of the Board receive copies of the minutes of all committee meetings and copies of the materials distributed in advance of the meetings for all of the committees.

### **Compensation and Organization Committee Interlocks and Insider Participation**

There are no Compensation and Organization Committee interlocks and all members of the Committee are independent.

### **Evaluations of Board Performance**

Since 1995, the Board's Governance Committee has led annual evaluations of Board performance. The evaluation process is designed to facilitate ongoing, systematic examination of the Board's effectiveness and accountability, and to identify opportunities for improving its operations and procedures.

In accordance with the requirements of the Corporate Governance Listing Standards of the New York Stock Exchange, in 2008 the Board completed an evaluation process focusing on the effectiveness of the performance of the Board as a whole, and each standing committee conducted a separate evaluation of its own performance and of the adequacy of its charter. The Governance Committee designed and coordinated the Board evaluation and reported on its results. Each committee also reported to the Board on the results of its annual self-evaluation.

In the Board evaluation process, each director completed an evaluation form that solicited directors' comments and numerical ratings on 30 questions relating to the qualifications and responsibilities of directors, the effectiveness of Board and committee operations, and the oversight of management. Following review and discussion of a composite report by the Governance Committee, the Chair of the Committee presented a report to the Board that provided recommendations to enhance Board effectiveness based upon the responses received in this process.

In the committee evaluation process, the members of each standing committee completed an evaluation form that elicited numerical ratings of and written comments on the appropriateness of the committee's charter and the adequacy of the written materials distributed in advance of meetings, the time available for discussion of important policy matters, and the manner in which specific committee responsibilities were discharged. Following discussion of a composite report within each committee, the chair of the committee reported to the Board regarding its overall findings and recommendations to improve committee operations.

### **Director Continuing Education**

Since fiscal 2005, the Company has maintained a formal program of continuing education for directors. The curriculum for fiscal 2008 included eight hours of instruction, including a two-hour program on developments and trends in the consumer packaged goods (CPG) industry, presented by an outside specialist; a 1 1/2 hour program on corporate social responsibility; a one-hour program focusing on the business and legal issues associated with product innovation; a one-hour program focusing on compliance challenges in emerging markets; a one-hour program on the Company's procedures for assuring product safety; and two 45-minute online courses on corporate compliance issues.

Most directors participated in all of these programs. The Company also encourages and supports directors who wish to participate in continuing education programs for directors conducted by outside parties in addition to, or in lieu of, a portion of the Company's program.

## **Nomination and Evaluation of Candidates for Director**

The Governance Committee is responsible for investigating, reviewing and evaluating the qualifications of candidates for membership on the Board and for assessing the contributions and performance of directors eligible for re-election. It is also responsible for recommending director nominees for approval by the Board and nomination for election at the Annual Meeting of Shareowners.

**Recommendation of New Nominees.** When vacancies on the Board arise due to the retirement or resignation of directors, the Governance Committee may consult with other directors and/or with senior management to obtain recommendations of potential candidates to fill these positions, and may also retain a search firm to assist it in identifying and evaluating candidates. The Governance Committee also considers candidates for election to the Board who are recommended to the Committee by shareowners.

The Governance Committee believes that a nominee for election to the Campbell Board should, at minimum:

- 1 be a person of the highest integrity;
- 1 have the ability to exercise independent judgment;
- 1 be committed to act in the best interest of all shareowners;
- 1 abide by exemplary standards of business and professional conduct;
- 1 have the skills and judgment to discharge the duties and responsibilities of a director;
- 1 be willing and able to devote the proper time and attention to fulfill the responsibilities of a director;
- 1 have no conflicts of interest arising from other relationships or obligations; and
- 1 have the ability to provide active, objective and constructive input at meetings of the Board and committees.

In addition, the Committee believes that, collectively, the Board should include directors who are:

- 1 reasonably sophisticated about the duties and responsibilities of directors of a public company;
- 1 knowledgeable about the consumer products industry, business operations, marketing, finance and accounting;
- 1 respected in the business community;
- 1 knowledgeable about general economic trends; and
- 1 knowledgeable about the standards and practices of good corporate governance.

All candidates considered by the Governance Committee for potential recommendation to the Board as director nominees are evaluated by the Governance Committee in light of the minimum qualifications listed above. When vacancies occur, the Governance Committee also reviews the overall composition of the Board to determine whether the addition of a director with one or more of the additional skills or qualities listed above would be desirable to enhance the effectiveness of the Board, and whether candidates with other specific experience or expertise should be sought at that particular time. If a search firm is retained to assist in identifying and evaluating candidates, the

Governance Committee also considers the assessments of the search firm and the background information it provides on the persons recommended for consideration. The Chairman of the Board, the Chair of the Governance Committee and the Chief Executive Officer customarily interview leading candidates. Other directors and/or members of senior management may also interview these candidates. Candidates recommended by shareowners will be evaluated using the same process that is employed to evaluate any other candidate.

***Re-Nomination of Incumbent Directors.*** The Company's Corporate Governance Standards require the Governance Committee to assess the performance of each director eligible for re-election at the Annual Meeting. The Governance Committee's annual agenda contemplates that these assessments will

occur shortly before the Governance Committee recommends a slate of director nominees for approval by the Board. In the individual director assessment conducted by the Governance Committee in 2008, each director was evaluated in light of the criteria set forth in the Corporate Governance Standards with respect to the qualification of directors and the composition of the Board. In addition, the Chair of the Governance Committee solicited from the Chairman of the Board his assessment of the contributions of directors.

**2008 Nominees.** All of the director nominees listed in this proxy statement were nominated by the Board and elected by the shareowners in 2007. Kent Foster and Philip Lippincott also were elected to the Board in November 2007. Mr. Foster has retired and Mr. Lippincott will retire on November 20, 2008.

**Shareowner Recommendations.** Shareowners who wish to recommend candidates for nomination for election to the Board may do so by writing to the Corporate Secretary of Campbell Soup Company at 1 Campbell Place, Camden, New Jersey 08103-1799. The recommendation must include the following information:

1. The candidate's name and business address;
2. A resume or curriculum vitae which describes the candidate's background and demonstrates that he or she meets the minimum qualifications set forth above;
3. A letter from the candidate stating that he or she is willing to serve on the Board if elected, and identifying any legal or regulatory proceedings in which he or she has been involved during the last five years; and
4. A statement from the shareowner recommending the candidate, indicating that he or she is the registered owner of Campbell shares, or a written statement from the record holder of Campbell shares indicating that the shareowner is the beneficial owner of such shares.

#### **Requirement of Majority Shareowner Votes in Uncontested Director Elections.**

In 2007 the Board adopted a policy, set forth in the Company's Corporate Governance Standards, which provides that any nominee for director in an uncontested election who receives more votes withheld from his or her election than votes for his or her election shall immediately tender an offer of resignation following certification of the shareowner vote. The Board will accept the resignation unless there is compelling reason for the director to remain on the Board, and will promptly disclose the action it has taken and the reasons for it.

#### **Director Attendance at Board and Committee Meetings**

Directors meet their responsibilities by preparing for and attending Board and committee meetings, and through communication with the Chairman, the Chief Executive Officer and other members of management on matters affecting the Company. During fiscal 2008, the Board of Directors met for six regular meetings and four special meetings. All directors attended more than 80% of scheduled Board meetings and meetings held by committees of which they were members.

**Director Attendance at Annual Meeting of Shareowners**

It is the Company's policy that the Chairman of the Board, the Chief Executive Officer, and the Chairs of the Audit Committee, the Compensation and Organization Committee and the Governance Committee are expected to attend the Annual Meeting of Shareowners. The five directors who occupied these positions on November 16, 2007 as well as Messrs. Charron, Dorrance, Larrimore, Patterson, Rand, Strawbridge and Vinney, and Meses. Mathew, Malone and Weber, attended the 2007 Annual Meeting of Shareowners.

The Corporate Governance section beginning on page 8 was reviewed and discussed by the Governance Committee, and the Governance Committee recommended to the Board that it be included in this proxy statement.

**Governance Committee**

Charles R. Perrin, Chairman  
Bennett Dorrance  
Randall W. Larrimore  
Mary Alice D. Malone

David C. Patterson  
Les C. Vinney  
Charlotte C. Weber

### Transactions with Related Persons

Under the Company's written Policy Concerning Transactions with Related Persons (the Related Persons Policy), the Governance Committee is required to review and, in appropriate circumstances, approve or ratify any transaction in which the Company was or is to be a participant, the amount involved exceeded or is expected to exceed \$120,000, and any related person had or will have a direct or indirect interest, as well as any material amendment to or modification of such a transaction.

Management has established procedures for identifying and monitoring transactions that may be subject to Governance Committee review under the Related Persons Policy or disclosure under SEC rules. Under the Company's conflicts of interest policy, directors and executive officers have a duty to report transactions in which they or their immediate family members have a direct or indirect interest and which might be deemed to constitute related person transactions. Directors and executive officers also annually complete a proxy questionnaire in which they are asked to identify all for-profit and not-for-profit entities with which they are associated. Based on the disclosures in the proxy questionnaires, management ascertains whether the Company has engaged or is expected to engage in any transactions involving these entities, directly or indirectly, of which the relevant director or executive officer may be unaware.

The Related Persons Policy specifies that the Governance Committee shall review the material terms of such a transaction, including the approximate dollar amount, and the material facts as to the related person's direct or indirect interest in, or relationship to, the transaction. In determining whether to approve or ratify a transaction, the Governance Committee is directed to consider, among other factors it may deem appropriate, whether the transaction was or will be on terms no less favorable than those generally available to an unaffiliated third party under the same or similar circumstances. No director may participate in the discussion or approval of a transaction in which he or she, or a member of his or her immediate family, has a direct or indirect interest.

The Chair of the Governance Committee (or, if a transaction involves the Committee Chair, the Chairman of the Board) may approve or ratify a related person transaction in which the aggregate amount involved is less than \$1 million. Any transaction approved by the Chair or the Chairman is to be reported to the Governance Committee at its next regularly scheduled meeting.

The following types of transactions are deemed by the Policy Concerning Transactions with Related Persons to have been approved in advance by the Governance Committee, even if the aggregate amount involved exceeded or will exceed \$120,000:

- 1 Compensation paid by the Company to a director or executive officer for services rendered to the Company as a director or executive officer.
- 1 Transactions with other entities in which a related person has a direct or indirect interest solely as a result of being a director of the other entity or of owning, with all other related persons, a less than 10% equity or limited partnership interest in the entity, and the aggregate amount of the transaction does not exceed the greater of \$1 million or 2% of that entity's total annual revenues.
- 1 Contributions by the Company to charitable organizations with which a related person's relationship is solely that of an employee (other than a executive officer), director or trustee, and the aggregate amount of the contribution does not exceed the lesser of \$25,000 or 2% of the charitable organization's annual receipts.

Transactions in which a related person's only interest is as a holder of the Company's stock, and all holders received or will receive proportional benefits (such as the payment of regular quarterly dividends).

- 1 Transactions involving competitive bids.
- 1 Transactions in which the rates or charges are regulated by law or government authority.
- 1 Transactions involving services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture, or similar services.

There were no transactions during the period from July 30, 2007 to October 1, 2008, and none are currently proposed, in which the Company was or is to be a participant, the amount involved exceeded or is expected to exceed \$120,000, and any related person had or will have a direct or indirect material interest.

### **Audit Committee Report**

The Audit Committee is comprised of the five directors named below. The Board has determined that each member of the Committee meets the current requirements as to independence, experience and expertise established by the New York Stock Exchange and applicable rules and regulations. In addition, the Board of Directors has determined that Les C. Vinney is an audit committee financial expert as defined by SEC rules. A copy of the Audit Committee Charter, as most recently updated in September 2004, is available at the Company's corporate website at [www.campbellsoupcompany.com](http://www.campbellsoupcompany.com) in the governance section under Board Committees.

One of the Audit Committee's primary responsibilities is to assist the Board in its oversight of the integrity of the Company's financial statements and financial reporting process, including its system of internal controls.

To fulfill these oversight responsibilities, the Committee has reviewed and discussed with management and the independent registered public accounting firm the audited financial statements included in the Company's Annual Report on Form 10-K for the fiscal year ended August 3, 2008, and has reviewed and discussed with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 61, Communications with Audit Committee (as amended). In addition, the Committee has received from the independent auditors a written report stating that they are not aware of any relationships between the independent registered public accounting firm and the Company that, in their professional judgment, may reasonably be thought to bear on their independence, as required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the audit committee concerning independence. The Committee has discussed with the independent registered public accounting firm the firm's objectivity and independence. The Committee has also considered whether the provision of non-audit services by the independent registered public accounting firm to the Company for the most recent fiscal year and the fees and costs billed and expected to be billed by the independent registered public accounting firm for those services are compatible with maintaining its independence.

The Audit Committee discussed with the Company's internal auditors and independent registered public accounting firm the overall scope and plans for their respective audits. The Committee has reviewed with the internal auditors and independent registered public accounting firm, with and without members of management present, the results of their examinations, their assessment of the Company's internal controls and the overall quality of the Company's financial reporting. In addition, the Audit Committee has discussed with the Chief Executive Officer and the Vice President-Controller who is serving as the Company's principal financial officer the processes that they have undertaken to evaluate the accuracy and fair presentation of the Company's financial statements and the effectiveness of the Company's system of disclosure controls and procedures.

Based on the review and discussions described in this report, the Audit Committee recommended to the Board of Directors that Campbell's audited consolidated financial statements be included in Campbell's Annual Report on Form 10-K for the fiscal year ended August 3, 2008, for filing with the Securities and Exchange Commission. The Audit Committee also recommended to the Board that PricewaterhouseCoopers be appointed independent registered public accounting firm for the Company for fiscal 2009.

#### **Audit Committee:**

Les C. Vinney, Chairman  
Randall W. Larrimore  
Philip E. Lippincott

Sara Mathew  
George W. Strawbridge, Jr.

### Independent Registered Public Accounting Firm Fees and Services

The aggregate fees, including expenses, billed by PricewaterhouseCoopers LLP ( PwC ), Campbell's independent registered public accounting firm, for professional services in Fiscal 2008 and 2007 were as follows:

<b>Services Rendered</b>	<b>Fiscal 2008</b>	<b>Fiscal 2007</b>
Audit Fees	\$ 4,710,000	\$ 5,343,000
Audit-Related Fees	\$ 1,267,000	\$ 206,000
Tax Fees	\$ 844,000	\$ 687,000
All Other Fees	0	0

The Audit Committee's Charter provides that the Committee will pre-approve all audit services and all permissible non-audit services (including the fees and terms thereof) to be performed for the Company by its independent registered public accounting firm. From time to time, the Committee may delegate its authority to pre-approve non-audit services to one or more Committee members. Any such approvals shall be reported at the next Audit Committee meeting.

The audit fees for the years ended August 3, 2008 and July 29, 2007 include fees for professional services rendered for the audits of the consolidated financial statements and the effectiveness of internal control over financial reporting of the Company, quarterly reviews and statutory audits.

The audit-related fees for the years ended August 3, 2008 and July 29, 2007 include fees for services related to certain agreed-upon procedures reports, accounting consultations, SAP pre-implementation controls reviews, and work related to the divestiture of Godiva.

Tax fees for the years ended August 3, 2008 and July 29, 2007 include fees for services related to tax compliance, including the preparation of tax returns and tax assistance with transfer pricing and tax audits.

In fiscal 2008 and 2007, 100% of the audit fees, audit-related fees, and tax fees were approved either by the Audit Committee or its designee.

### Compensation and Organization Committee Report

The Compensation and Organization Committee has reviewed and discussed the following Compensation Discussion and Analysis with management, and based on such reviews and discussions, the Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement.

#### Compensation and Organization Committee

Paul R. Charron, Chair  
 Edmund M. Carpenter  
 Bennett Dorrance  
 Philip E. Lippincott  
 Charles R. Perrin  
 A. Barry Rand

Charlotte C. Weber

**Compensation Discussion and Analysis ( CD&A )**

**Corporate Governance of Executive Compensation**

The Compensation and Organization Committee ( Committee ) approves the Company s executive compensation policies and programs and reviews major organizational changes and the Company s succession planning and leadership development processes. The Committee s charter is available in the

governance section of the Company's Web site at [www.campbellsoupcompany.com](http://www.campbellsoupcompany.com). The Board has determined that all members of the Committee are independent directors as defined by the New York Stock Exchange rules.

The Committee annually reviews the Company's compensation strategy, principles and policies, including the apportionment of pay between fixed compensation elements and incentive compensation, and the design of incentive compensation programs. The Committee approves all compensation and benefits for senior executives, authorizes the aggregate amount of annual incentive awards for all eligible participants under the Annual Incentive Plan ( AIP ) and the Long-Term Incentive ( LTI ) Program, and authorizes the Chief Executive Officer ( CEO ) to allocate the other awards, up to the aggregate amounts.

Each September, the Committee reviews the performance of the senior executives and approves for each executive his or her base salary, annual incentive payment and long-term incentive grant. This review of all major elements of executive compensation at one time provides the Committee with a comprehensive analysis of the target dollar amount of compensation being delivered by each element of compensation, assuming the required performance goals are 100% attained.

Prior to fiscal 2009, the Committee approved all compensation actions for approximately the top 40 senior executive positions in the Company, including the CEO, Chief Financial Officer and the other most highly compensated executive officers that are named in the summary compensation table ( named executive officers or NEOs ). In May 2008, the Committee determined that, beginning with the actions to be taken the following September, it would focus its approval of individual compensation actions on approximately the top 25 senior executive positions. The CEO and the Senior Vice President & Chief Human Resources and Communications Officer provide recommendations to the Committee on compensation actions for these senior executives, except for his or her own compensation actions, and on potential changes in the design of executive compensation programs. By the terms of its charter, the Committee has delegated to the Chair of the Compensation and Organization Committee the authority to approve compensation actions for the Company's senior executives between Committee meetings when necessary for business continuity purposes. The Chair of the Committee and the Chairman of the Board of Directors must jointly approve any equity grants made to senior executives between meetings.

In fiscal 2008, the Committee retained Yale D. Tauber, the Principal of Independent Compensation Committee Adviser, LLC, an independent compensation consultant. Mr. Tauber reports directly to the Committee and advises the Committee on CEO compensation, compensation trends, governance issues, and projects of current interest to the Committee, such as changes to the design of the Company's LTI Program. The consultant provides his advice about any proposed changes to the design of the executive compensation programs directly to the Committee. He did not provide any services to management in fiscal 2008 and will not be directly retained by management for any services.

The Senior Vice President - Law & Government Affairs and the Senior Vice President & Chief Human Resources and Communications Officer work with the Committee to develop the annual list of agenda items and the annual schedule of meetings for the Committee. The list of agenda items is approved by the Committee. In September 2008, the CEO and the Senior Vice President & Chief Human Resources and Communications Officer recommended to the Committee compensation actions for approximately the top 25 executive positions, including AIP awards for fiscal 2008 and base salaries and LTI grants for fiscal 2009.

### **Compensation Principles and Policies**

The Committee annually reviews and the Board approves the principles and policies for executive compensation. The principles and policies are:

Campbell offers a total compensation package that is designed to attract, motivate and retain talent of the caliber needed to deliver successful business performance in absolute terms and relative to competition.

- 1 Campbell's compensation program is designed to link pay to Company, business unit and individual performance in absolute terms and relative to competition.

- 1 Compensation levels are set by comparing Campbell's pay levels and practices to the practices of other food, beverage and consumer products companies in the Compensation Peer Group (see below) where the Company primarily competes for executive talent. Composition of this group is reviewed annually by the Committee.
- 1 The Company's competitive position is reviewed annually by the Committee. During fiscal 2007, the Committee completed a comprehensive review of the competitive position of the executive compensation program. The review confirmed that long-term incentive targets had been positioned significantly above the median in prior years, in order to attract the executive talent necessary to execute the transformation plan initiated by the Company in fiscal 2002. Due to this positioning and to a reduction in market-competitive long-term incentive grant levels, target total direct compensation in fiscal 2007 was 15% to 25% above the median of the Compensation Peer Group. For fiscal 2008, base salaries, annual incentives, and total annual cash compensation were targeted to the median of the Compensation Peer Group. Long-term incentives were targeted significantly above the median at median performance. Total direct compensation, consisting of salary, annual incentives and long-term incentives, was targeted 15% to 25% above the median at median performance. In May 2008, the Committee reduced the long-term incentive grant levels, so that beginning in fiscal 2009, target total direct compensation will be 10% to 15% above the median at median performance. The Committee believes that this level of compensation is necessary to continue to attract and retain executives with the strong operating, functional or international capabilities that are required to execute the Company's business strategies.
- 1 Annual incentive payments are based on annual performance compared with goals established at the beginning of the fiscal year in four measurement areas relating to the Company's financial, marketplace, operational, and strategic objectives for that year. The Committee evaluates performance compared to goals each year and determines the total AIP pool available.
- 1 Long-term incentive grants are delivered in a combination of performance-restricted shares and time-lapse restricted shares or units, with the mix varying by level of responsibility within the organization. Employees with higher levels of responsibility receive a higher percentage of performance-restricted shares or units. Grants for fiscal years 2006, 2007 and 2008 were delivered in shares. Beginning with the grants for fiscal 2009 that were approved in September 2008, the Company will deliver long-term incentive grants in performance-restricted stock units and time-lapse restricted stock units, both settled in shares, in the United States.
- 1 Senior executives have a substantial portion of compensation at risk, based upon the achievement of the performance goals for annual incentive payments and the performance goals for long-term incentives. When Company performance is strong, senior executives will receive compensation that is well above the median of the Compensation Peer Group. When Company performance is weak, senior executives will receive compensation well below the median. To align the interests of the Company's senior executives with those of shareowners, a higher proportion of incentive compensation is delivered to senior executives through long-term incentives that are paid out depending upon the Company's total return to shareowners (TSR) ranking in the Performance Peer Group (see below).

### **Compensation Objectives**

The objectives of the Company's executive compensation program are to:

- 1 Align the financial interests of the Company's executives with those of its shareowners, in both the short and long term;

- 1 Provide incentives for achieving and exceeding the Company's short-term and long-term goals;
- 1 Attract, motivate and retain highly competent executives by providing total compensation that is competitive with compensation paid at other well-managed companies in the food, beverage and consumer products industries; and

- 1 Differentiate the level of compensation paid to executives based on individual and business unit performance, leadership potential, and level of responsibility within the organization. Individual performance is rated based upon demonstrated leadership skills, accomplishment of objectives, business unit or functional accountabilities, and personal contributions.

### Peer Groups and Benchmarking

The Committee identifies both a Compensation Peer Group and a Performance Peer Group in designing and determining compensation for its executive officers. In order to determine total compensation paid by companies that compete with Campbell for executive talent, in fiscal 2008 the Committee considered a comparison of Campbell's total compensation levels with the levels at 29 companies in the food, beverage and consumer products industries ( Compensation Peer Group ), which was provided by Hewitt Associates. Given Campbell's relatively small size in relation to many of the companies in the Compensation Peer Group, a regression analysis was performed to adjust the compensation data for the top positions for differences in the total revenues of the various companies compared to Campbell's total revenue. The Committee believes that use of the Compensation Peer Group is the most effective method to evaluate and set the compensation needed to attract, motivate and retain the executive talent needed to manage the Company's businesses and operations successfully, because these are the primary companies with which Campbell competes for senior executives. Use of this peer group also provides a broad database that allows Campbell to obtain accurate, representative survey information for a majority of its positions. The composition of the Compensation Peer Group is approved by the Committee each fiscal year after obtaining advice from its independent compensation consultant. For the purpose of determining fiscal 2008 compensation, the Compensation Peer Group consisted of the following companies:

#### Compensation Peer Group

Altria	H. J. Heinz Company (1)	PepsiCo, Inc.
Anheuser-Busch Companies, Inc.	Hershey Foods Corporation (1)	Pfizer Inc.
The Clorox Company	Hormel, Inc.	The Procter & Gamble Company
The Coca-Cola Company	Johnson & Johnson Company	Reynolds American Inc.
Colgate-Palmolive Company	Kellogg Company (1)	S.C. Johnson
ConAgra Foods, Inc. (1)	Kimberly-Clark Corporation	Sara Lee Corporation (1)
Dean Foods(1)	Kraft Foods, Inc. (1)	Tyson Foods (1)
Del Monte Foods Company	Mars, Inc.	Unilever United States, Inc.
Diageo North America, Inc.	McCormick & Company, Inc. (1)	Wm. Wrigley Jr. Company (1)
General Mills, Inc. (1)	Nestle USA, Inc.	

- (1) These companies, plus Campbell, constitute the S&P Packaged Foods Group ( Performance Peer Group ), which is used to measure TSR performance for calculation of the payout from the LTI Program.

The Committee uses the Compensation Peer Group to evaluate the competitiveness of executive compensation and uses the Performance Peer Group to measure the competitiveness of the Company's TSR performance. The Performance Peer Group is independently selected by Standard and Poor's based upon the similarities of the companies' businesses in the packaged foods industry, and has remained relatively stable over a long period of time. Companies that are added to and deleted from the S&P Packaged Foods Group are automatically added to or deleted from the list of companies whose TSR rankings are compared to Campbell's ranking for TSR performance-restricted stock (see below). The list of companies in the S&P Packaged Foods Group is readily available through S&P. The

Committee and management exercise no discretion in selecting the companies that are included in the S&P Packaged Foods Group. The use of this Performance Peer Group for the LTI Program was recommended by the Committee's independent compensation consultant when the current LTI Program was adopted in 2005. The Committee believes that the Performance Peer Group is the appropriate group in Campbell's industry against which to measure the Company's TSR performance. TSR performance of the companies in the Compensation Peer Group that are

not in the packaged foods industry is more likely to be affected by economic developments that do not affect the packaged foods industry.

### **Elements of Executive Compensation**

The elements of Campbell's executive compensation program are:

- 1 base salary;
- 1 performance-based annual incentive compensation;
- 1 long-term equity incentive compensation;
- 1 pension and nonqualified deferred compensation benefits;
- 1 perquisites; and
- 1 post-termination compensation and benefits.

The proportion of compensation delivered in each of these elements is designed to:

- 1 Put more compensation at risk based upon Company or business unit and individual performance for senior executives whose performance is more likely to influence the results of the executive's business unit or function, or the results of the Company;
- 1 Provide the opportunity for executives to earn above-median compensation primarily through annual and long-term incentives, with performance goals that align executives' interests directly with those of Campbell's shareowners;
- 1 Provide consistency over time in the proportion of compensation opportunity among the elements, while varying actual pay based upon Company, business unit and individual performance; and
- 1 Be competitive with the practices in the Compensation Peer Group in order to attract, motivate and retain key executives.

### **Base Salary**

Base salaries are intended to provide a base level of income that is competitive in relation to the responsibilities of each executive's position. Midpoints of base salary ranges are targeted at the median of the Compensation Peer Group reduced by regression by reason of the Company's relatively small size compared to many of the companies in the Compensation Peer Group. Salary ranges and individual salaries for senior executives are reviewed annually by the Committee. The Committee considers salary levels for senior executives each September, when it also reviews the performance of those executives. Merit increases are based on the CEO's and Committee's assessment of individual performance. Targets for annual incentive payments and long-term incentive grants are a percentage of base salary (see below).

The Committee considers a number of factors in determining individual base salaries, including the scope of an individual's job responsibilities, his or her individual contributions, business performance, job market conditions, the Company's salary budget guidelines, and the individual's current base salary as compared with those of persons in

similar positions at other companies in the Compensation Peer Group. The Committee does not utilize a mathematical formula in which these factors or their interrelationships are quantified and weighted (either in general, or with respect to any individual executive). During a particular year, one factor or group of factors may play a more significant role in the determination of an executive's base salary than in other years, based on the Committee's judgment and discretion.

An executive's individual performance may be assessed based upon any of his or her demonstrated leadership skills, accomplishment of objectives, business unit or functional accountabilities, and personal contributions. A broad range of factors relevant to each of these areas, generally qualitative in nature, may be considered in this assessment. The Committee's judgments regarding base salaries are also strongly

influenced by the judgments and recommendations of the CEO with respect to the named executive officers other than himself. In the case of the CEO's base salary, the assessment is made by the Committee.

Named executive officers, like other executives of the Company, have annual performance objectives which include individual goals that relate to the business performance of the Company and/or the individual's business unit or corporate function. As indicated above, the extent to which an executive attains these objectives is one of the factors considered in determining his or her base salary for the following year. However, no single individual performance factor or specific set of individual or business performance factors is dispositive in this determination, and no specific factor or specific set of factors was material to the determinations in September 2007 concerning base salary increases for fiscal 2008 for any of the named executive officers.

In September 2007, the Committee approved salary increases for the named executive officers. These increases were made to maintain market competitiveness based on available market comparison data. After these adjustments, the Committee judged each named executive officer's salary for fiscal 2008 to be correctly positioned at or near the median of the compensation paid by companies in the Compensation Peer Group for the executive's position. Two further adjustments to base salaries for named executive officers were subsequently made in fiscal 2008. On October 4, 2007, the Company announced the formation of a new division known as North America Soup, Sauces and Beverages, consisting of the U.S. Soup, Sauces and Beverages retail business (Campbell USA), North America Foodservice and StockPot, and the business in Canada. The three business units comprising North America Soup, Sauces and Beverages had sales of approximately \$4.5 billion in fiscal 2007. Denise Morrison, then the President of Campbell USA, was appointed President-North America Soup, Sauces and Beverages, reporting to the Company's President and CEO. In connection with her expanded responsibilities, the Committee further increased Ms. Morrison's base salary from \$484,763 to \$520,000 per year. In addition, on March 26, 2008, the Committee approved an additional increase in Ellen Kaden's base salary from \$555,000 to \$600,000 effective April 1, 2008, related to a qualitative assessment of her significant contributions beyond the legal and government affairs functions at the Company and her assumption of the leadership of the Company's corporate social responsibility program. Changes in the CEO's compensation are discussed on page 30.

### **Annual Incentive Plan ( AIP )**

Annual incentives are intended to motivate and reward the achievement of business goals approved by the Board of Directors in the annual Operating Plan and three-year Strategic Plan, and to assure that these goals are achieved in a manner that strengthens the business for the long term. Annual incentive targets are set at the median of the Compensation Peer Group. At the beginning of each fiscal year, the Committee establishes a competitive annual incentive target, expressed as a percent of base salary, for each executive salary level. In fiscal 2008, the annual incentive targets for senior executives, other than the CEO, ranged from 55% to 90% of base salary, with executives at the higher levels having a higher percentage at risk. These percentages are at or near the median for similar executive positions at companies in the Compensation Peer Group. The sum of the individual incentive targets for all participants (approximately 1,850 executives and managers) comprises the target incentive pool.

Since fiscal 2003, the Committee has used a Company scorecard in which many quantitative and qualitative goals for the Company as a whole and its business units are established at the beginning of each fiscal year for the purposes of the Annual Incentive Plan. The goals defined in the scorecard fall within four key measurement areas relating respectively to the Company's financial, strategic, operational and marketplace objectives. Goals identified in each area include a mix of quantitative and qualitative factors. Corresponding goals, consistent with the total Company scorecard, are established for the respective business units. The goals listed in the scorecard are not weighted in any manner.

The Company scorecard adopted in connection with the administration of the AIP for fiscal 2008 included approximately one hundred performance goals. In the financial area, for example, some of the quantitative goals for fiscal 2008 related to net sales, earnings before interest and taxes, earnings per share, profit margins, administrative expenses, marketing expenditures, free cash flow, and return on invested

capital. In fiscal 2008, the adjusted EPS goal from continuing operations was \$2.06, excluding certain transactions not considered to be part of the ongoing business, and the goal for net sales was \$7.8 billion, excluding the impact of currency. Qualitative financial goals included, for example, quality of earnings and Company performance compared against the Performance Peer Group in sales and earnings growth. Marketplace goals included, for example, quantitative measures relating to consumption, and objectives relating to growth in market share for products sold by the Company's 19 business units. For the operational and strategic areas, progress toward achievement of 74 business and workplace initiatives to deliver the annual Operating Plan and the three-year Strategic Plan are assessed. Operational goals included, for example, objectives relating to the success of new product launches, growth in distribution, the effectiveness of advertising campaigns, and improvements in employee engagement. Finally, goals in the strategic area included, among other things, objectives relating to the progress of research and development projects, new product development, portfolio optimization, and other key strategic platforms. The goals in the four measurement areas require effective execution of business plans and are difficult to attain.

After a fiscal year has ended, the Committee assesses total Company performance in light of the goals enumerated in the scorecard for that year, and, based on that assessment, determines the aggregate amount of the incentive pool for the total Company for that year. Comparable judgments are made with respect to the achievement of the goals defined in the corresponding business unit scorecards. The Committee's determination of the overall Company score and the determinations of business unit scores are not based on any mathematical calculation or formula, and do not focus on any single performance goal. This plan intentionally provides substantial opportunity for the exercise of judgment and discretion by the Committee in determining the overall Company score and the overall scores for the respective business units. In any given year, the Committee's assessment of total Company performance may range from 0 to 175%. For fiscal year 2008, the Committee decided upon a total annual incentive pool of 105% of the target pool. AIP awards to each executive, within the limits of the approved total pool, are based on business unit/function performance and individual performance, and can vary for executive officers from 0 to 200% of the individual's incentive target. The sum of individual awards cannot exceed the approved total AIP pool. Extraordinary items, such as major restructuring and accounting changes, are excluded in determining the AIP pool.

Each participant in the AIP has an annual incentive target, which is a percent of base salary approved by the Committee at the beginning of the year for each executive salary level. Within the limits of the total AIP pool, the award paid to a participant for a given year is determined by multiplying his or her annual incentive target for that year by (x) a percentage representing the assessment of the performance of the participant's business unit, or, if the participant is a member of the corporate staff (that is, not within a business unit), the percentage representing the Committee's assessment of total Company performance for the year; and (y) a percentage representing an assessment of the participant's performance against the individual objectives established for that participant at the beginning of the fiscal year.

At the beginning of a fiscal year, the Committee also establishes a performance goal for the AIP that is applicable only to executive officers. This goal is referred to as the 162(m) performance goal. The 162(m) performance goal for fiscal 2008 required that the Company achieve 80% of its EPS goal for the year. In fiscal 2008, the goal for adjusted EPS from continuing operations was \$2.06, excluding certain transactions not considered to be part of the ongoing business. In order for an executive officer to be eligible to receive the maximum payment of 200% of his or her annual incentive target, the Company must meet the 162(m) performance goal for the year. If the Company achieves less than 80% but not less than 50% of the EPS goal, executive officers are eligible to receive a maximum of 100% of his or her annual incentive target. If the Company does not achieve at least 50% of the EPS goal, executive officers are not eligible for any AIP award. The Company's adjusted EPS from continuing operations for fiscal 2008 was \$2.09, excluding certain transactions not considered to be part of the ongoing business.

The Company's achievement of the 162(m) performance goal does not assure that an executive officer will receive the maximum incentive award, because the Committee has retained negative discretion to reduce the award based upon

the assessment of the performance of his or her business unit (or, in the case of an executive officer who is a member of the corporate staff, the assessment of total Company performance) in light of the goals set forth in the scorecard, and the assessment of his or her individual performance against

individual annual objectives. The Committee has consistently exercised its negative discretion in determining annual incentive payments to executive officers. Although the Company has regularly achieved the 162(m) performance goal of 80% of the EPS goal established annually by the Committee, no named executive officer in the applicable fiscal year has received an award equal to the maximum potential payment.

As indicated above, payments made to participants in the AIP are influenced by their managers' assessments of individual performance against objectives established for each participant at the beginning of the fiscal year. In the case of named executive officers other than the CEO, the Committee's assessments of individual performance are based primarily on the CEO's judgments and recommendations. The assessment of the CEO's individual performance is made by the Committee itself. However, awards made to named executive officers under the AIP were so closely tied to the assessment of overall Company performance or, in relevant cases, to the assessments of business unit performance, that determinations relating to individual performance for fiscal 2008 were not a significant differentiating factor for these executives.

Based on its review of the results achieved in fiscal 2008 against the objectives defined at the beginning of the year in each of the four measurement areas of the Company scorecard, the Committee made the qualitative judgments that total Company performance with respect to financial and operational goals was on target, that performance with respect to strategic goals was significantly above target, and that performance with respect to marketplace goals was slightly below target. Based on its assessment of the Company's overall performance in fiscal 2008, the Committee determined that the aggregate amount of the incentive pool should be 105% of target. In making this determination, the Committee applied no mathematical calculations or specific weightings to individual objectives identified in the scorecard. Its determination of the total Company score was based on its qualitative judgment of overall Company performance, with particular attention to the fact that management had operated the business successfully through a period of unprecedented cost inflation and, at the same time, successfully executed a number of complex strategic projects to focus the Company for sustainable long-term growth. Incentive payments to the named executive officers listed on page 31 for fiscal 2008 ranged from 100% to 113% of the target incentive amount, with an average of 105%. The annual incentive awards made to the named executive officers for fiscal 2008 are listed in the summary compensation table on page 31 in the column captioned "Non-Equity Incentive Plan Compensation."

## **Long-Term Incentive Compensation**

### **Prior Long-Term Incentive Programs**

Long-term incentives are intended to motivate and reward executives based upon the Company's success in delivering superior value to its shareowners and to retain executives. For several years prior to fiscal 2006, Campbell used two long-term incentive programs for approximately 350 top executives, a time-lapse restricted stock program and a stock option program. The value delivered to these executives through each program was intended to be approximately 50% of total competitive long-term incentive value. For other participants (about 850 people) the long-term incentive program consisted entirely of stock options. While these programs were replaced in fiscal 2006 with a new long-term incentive program consisting entirely of restricted stock, grants under the former programs are still outstanding and expense was incurred in fiscal 2008. The former programs were described in prior years' proxy statements.

### **Current Long-Term Incentive ( LTI ) Program**

During fiscal 2005, the Committee conducted a comprehensive analysis of the Company's LTI Program during four separate meetings. The Committee's independent consultant at the time, Frederic W. Cook & Co., Inc., advised the Committee throughout this project. As a result of this analysis, the Committee approved a new LTI Program recommended by the independent consultant for the period beginning in fiscal 2006, consisting of three types of restricted shares: (1) TSR performance-restricted shares which are earned based on the Company's TSR compared to

the TSRs of the companies in the Performance Peer Group over a three-year performance period; (2) EPS performance-restricted shares which are earned based on the achievement of a minimal level of EPS in each fiscal year in a three-year performance period, which is designed to

qualify the payment of the shares as tax deductible; and (3) time-lapse restricted shares which vest over three years based on continued employment.

For fiscal 2008, long-term incentive targets were significantly above the median of the Compensation Peer Group at median performance. The long-term incentive targets for senior executives, other than the CEO, ranged from 128% to 285% of base salary, with executives at higher levels having a higher percentage at risk. For executive officers, 70% of the long-term incentive opportunity was delivered in TSR performance-restricted shares and 30% in EPS performance-restricted shares. For senior executives who were not executive officers, 70% of the long-term incentive opportunity was delivered in TSR performance-restricted shares and 30% in time-lapse restricted shares. Linking a significant portion of long-term compensation to the Company's TSR performance aligns the interests of executives with those of Campbell's shareowners. Other participants in the program received a higher proportion of time-lapse restricted shares and a lower proportion of TSR performance-restricted shares. Regular awards of stock options are not part of the current LTI Program, and no stock options have been granted to executives after fiscal 2005.

Grants under the program were made at the beginning of the fiscal year to approximately 1,200 participants, and the performance period for TSR shares is the current and subsequent two fiscal years. For the past five years, equity grants have been approved by the Committee in September, which is near the beginning of the Company's fiscal year. Individual grants were based on the executive's level of responsibility in the Company, possession of critical skills, individual performance and future leadership potential as assessed in the Company's human resources organization planning process. All shares used in the Company's executive compensation programs were shares which were previously issued and outstanding and were reacquired by the Company.

TSR performance-restricted shares are paid out based upon the Company's TSR performance over a three-year period compared to the TSRs of the other 11 companies in the Performance Peer Group. For fiscal years 2006-2008, 2007-2009 and 2008-2010, the following percentage of TSR shares that were granted at the beginning of the three-year performance period will be paid out based upon the Company's TSR performance ranking:

Company's TSR Performance Rank	1	2	3	4	5	6	7	8	9	10	11
Percentage Payout	200%	175%	150%	125%	125%	100%	85%	70%	50%	50%	0

In order to maintain focus and interest in the TSR performance-restricted share portion of the program during the first and second years of the performance period, one-third of the TSR performance-restricted shares initially granted can be earned at the end of the first year, provided the Company's TSR performance ranking is median (#6) or above during the one-year period. An additional one-third of the TSR performance-restricted shares initially granted can be earned at the end of the second year, provided the Company's TSR performance ranking is median or above during the two-year period. At the end of the three-year performance period, a participant will be paid the greater of (i) the earned shares from the first two years or (ii) the TSR performance-restricted shares determined by the Company's TSR ranking for the full three-year period. The earned shares will be forfeited if the participant resigns prior to the pay-out date, which is two months following the end of the three-year performance period. At the time of payment, the Committee can exercise negative discretion in determining Campbell's ranking under the TSR performance-restricted share portion of the program in the event of extraordinary circumstances.

As noted above, beginning with the grants approved for fiscal 2009, TSR performance-restricted grants will be delivered in units rather than shares. In May 2008, the Committee approved modifications to the payout grid for TSR units in order to provide for no payout for bottom quartile performance and to enhance the payout percentage for

strong performance. Beginning with the grant for fiscal years 2009-2011, the following

percentage of TSR units granted at the beginning of the three-year performance period will be paid out based upon the Company's TSR performance ranking:

Company's TSR Performance Rank	1	2	3	4	5	6	7	8	9	10	11
Percentage Payout	225%	200%	175%	150%	125%	100%	75%	75%	50%	0	0

By way of illustration, if, at the end of the three-year performance period, the Committee determines that the Company's cumulative TSR for fiscal years 2009-2011 ranks in fifth place compared with those of the 11 other companies in the Performance Peer Group, TSR performance-restricted units granted in October 2008, at the beginning of the performance period, will be paid out at 125% of the original grants.

As noted above, beginning with the grants approved for fiscal 2009, EPS performance-restricted grants will also be delivered in units rather than in shares. EPS performance-restricted awards are paid out two months following the end of each fiscal year in the three-year performance period, provided that the EPS achieved in the fiscal year is at least 50% of the EPS goal for the AIP approved by the Committee for that fiscal year. This performance goal is designed to qualify the payment of EPS performance-restricted awards as deductible under Section 162(m) of the Internal Revenue Code. The payout of EPS performance-restricted shares or units is either 0 or 100%. For fiscal 2008, the goal for adjusted EPS from continuing operations for the AIP was \$2.06, and actual adjusted EPS from continuing operations was \$2.09. Estimated future payouts of TSR and EPS performance-restricted awards to the Company's named executive officers are listed in the table of Grants of Plan-Based Awards on page 34.

Following its review of the competitive positioning of the LTI Program in fiscal 2007, the Committee determined to reduce the size of the LTI grants for all participants. Beginning with fiscal 2009 (fiscal 2008 for the CEO), the Company has reduced long-term incentive targets so that the Company's target total direct compensation will be in the range of 10%-15% above market median in the Compensation Peer Group.

### Executive Stock Ownership

The Company requires senior executives to own shares to further align their interests with those of shareowners. In fiscal 2008 approximately the top 85 executives were required to achieve an ownership stake in the Company that was significant in comparison with the executive's salary. Until the ownership level is achieved, executives must retain at least half of the after-tax value of each equity award in Campbell shares upon the vesting of restricted shares or exercise of options. Executive officers are prohibited from selling in a twelve-month period more than 50% of (1) the value of shares owned plus (2) the after-tax value of vested options, in excess of the applicable ownership standard.

The ownership requirements for corporate officers, expressed in terms of the value of shares to be owned, were as follows:

Position	Required Ownership
Chief Executive Officer	\$5,750,000
Senior Vice President	\$850,000 to \$2,000,000
Vice President	\$750,000 to \$1,000,000

Executives may count toward these requirements the value of shares owned and shares which are deferred and fully vested in the Company's 401(k) plan and other deferred compensation programs. Restricted shares and unexercised stock options are not counted in calculating ownership. Company policy prohibits executives from hedging the economic risk associated with fully owned shares, restricted shares and unexercised stock options.

To better align the stock ownership program with market practice while ensuring that the primary objectives of the program are maintained, in May 2008, the Committee approved two modifications to the program. As of August 1, 2008, ownership requirements apply to executives at the highest levels in the

Company, approximately the top 35 executive positions, and the ownership standard is expressed as a multiple of salary that is determined based on organization level or title. Establishing ownership standards as a multiple of base salary links the program with pay actions (i.e., base salary increases) which are performance-based, and ensures that ownership objectives remain competitive.

<b>Organization Level</b>	<b>Multiple of Salary</b>
CEO	6.0 x
CEO Direct Reports (including other NEOs)	3.5 x
Other Participating Executives	2.0 x

The ownership multiple for the CEO has been set at the market 75<sup>th</sup> percentile while the ownership standards for others covered by the program have been set at market median.

### **Retirement Plans**

Senior executives participate in two defined benefit plans: (1) the Retirement and Pension Plan ( Qualified Plan ) and (2) the Mid-Career Hire Pension Plan ( MCHP ). The Qualified Plan provides funded, tax-qualified benefits up to the limits allowed under the Internal Revenue Code ( IRC ) for most of the Company s full-time U.S. employees. The MCHP provides unfunded benefits for senior executives who are hired in the middle of their careers and that are in excess of the IRC limits applicable to the Qualified Plan. Such executives give up future pension benefits that they would have earned if they remained with their prior employers. The MCHP is consistent with the Company s objective to attract and retain experienced senior executives in order to execute the Company s business strategies. MCHP benefits are offset by benefits under the Qualified Plan.

These plans prohibit duplication of benefits. The Company adopted these plans as an additional means to attract and retain employees and to provide a competitive level of pension benefits. The retirement plans provide employees, including the NEOs listed on page 31, the opportunity to plan for future financial needs during retirement. Other than the MCHP, the actual pension benefit is calculated on the same basis for all participants, and is based on:

- 1 length of service;
- 1 covered compensation (base salary and annual incentive); and
- 1 age at retirement.

Stock option gains, time-lapse restricted shares and performance-restricted shares, as well as any extraordinary remuneration, play no part in the calculation of retirement benefits. For a more detailed discussion of the retirement plans and the accumulated benefits under these plans, see the Pension Benefits table and the accompanying narrative on page 38.

### **Deferred Compensation Plans**

The Company adopted the Deferred Compensation Plans to provide an opportunity for the U.S.-based participants, including the eligible NEOs, to save for future financial needs. The amount of salary and annual incentive earned by the employee is not affected by the plans. The plans essentially operate as unfunded, tax-advantaged personal savings accounts of the employee, administered by the Company, and contribute to the Company s attractiveness as an employer. For a more detailed discussion of the deferred compensation arrangements relating to the NEOs, see the

Nonqualified Deferred Compensation table and accompanying narrative on page 41.

**Perquisites**

The Company's Personal Choice Program provides quarterly cash payments to executives in lieu of reimbursements for items such as tax or estate planning services or financial planning services. For NEOs, the annual cash payments range from \$32,000 to \$48,000, are reviewed by the Committee annually, and are included in the summary compensation table on page 31. The Committee believes that perquisite payments are appropriate to reimburse executives for financial and tax planning services or other purposes, so that the

executives are not distracted from devoting their time and energy to their responsibilities to the Company. In addition to tax and estate planning services or financial planning services, executives may use the payments made under this program, at their discretion, for such other purposes as home security systems, country club dues and automobile expenses. The Company also provides long-term disability protection for NEOs. Other perquisites provided by the Company to NEOs in 2008 were the payment of car and driver expenses for Mr. Conant, driver expenses for Ms. Kaden and commuting expenses for Mr. Schiffner. When these executives were hired in 1998 and 2001, the Company agreed to pay these expenses in lieu of paying for relocation expenses.

### **Severance Plans**

The Company has severance plans for its U.S.-based exempt employees. All exempt salaried employees in the U.S., including NEOs, are covered by the plans, under which payments are based on level of responsibility, seniority and/or length of service. For the NEOs, the maximum payment under the plans is two times base salary. The payment and benefit levels defined in the Company's severance plans for U.S.-based exempt employees have been determined primarily by reference to the amount of time customarily required for employees who are involuntarily terminated without cause to find other employment. The Company believes that, due to the relative scarcity of senior executive roles, employees at higher levels in the organization generally need more time to locate comparable positions elsewhere than those at lower levels. The Company also periodically reviews the severance benefits provided at other Fortune 500 companies. Assurance of a reasonable measure of financial security in the event of involuntary termination is important to candidates for executive positions, and the extent of the severance benefits offered by Campbell in comparison with those available at other companies is sometimes a significant factor in their evaluations of the attractiveness of opportunities at Campbell. The Company generally does not enter into employment contracts in the United States. The Company provides the severance plans to reassure employees of assistance in their transition to new employment in the event the Company terminates their employment. For a more detailed discussion of these severance arrangements, see Potential Payments on Termination or Change in Control beginning on page 41.

### **Change in Control Benefits**

The Company has entered into Special Change in Control Severance Protection Agreements ( Special CIC Agreements ) with the NEOs as well as all other executive officers. The Special CIC Agreements provide for severance pay and continuation of certain benefits should a change in control occur. The independent members of the Board of Directors unanimously approved entry into the Special CIC Agreements beginning in 2000. The Committee believes that the Special CIC Agreements are necessary in order to retain stability in the senior executive team in the event there is a threatened or actual change in control. The Agreement requires the occurrence of the following two events in order for an executive to receive payments and benefits: 1) the executive's employment must be terminated involuntarily and without cause (whether actual or constructive ); and 2) the termination must occur within two years following a change in control. The Company also has change in control provisions in its AIP, its long-term incentive plans and its U.S. retirement plans, and these provisions apply equally to all participants in the plans, including the NEOs.

### **Accounting and Tax Implications**

Section 162(m) of the Internal Revenue Code ( IRC ) limits the tax deductibility of compensation paid to an NEO to \$1 million, except to the extent the compensation is performance based. The Committee's policy is to comply with the requirements of section 162(m) except where the Committee determines that compliance is not in the best interests of the Company and its shareowners. All annual incentive payments and restricted stock grants to executive officers for fiscal year 2008 met the requirements for deductibility under section 162(m).

Beginning on August 1, 2005, the Company began accounting for stock-based compensation, including unvested stock options and any restricted shares, in accordance with the requirements of Financial

Accounting Standards Board Statement of Financial Accounting Standards No. 123 (revised 2004), *Share-Based Payment*, ( FAS 123R ).

### **CEO Compensation and Evaluation**

The NEOs' compensation, other than the CEO's compensation and the CFO's special grant described below, are not materially different from each other. The compensation components for the CEO, Douglas Conant, are consistent with the program generally described above. Mr. Conant's compensation is designed to be competitive with the CEO compensation paid in the Compensation Peer Group and his incentive compensation is directly linked to both Company performance and his performance. The process used to review and establish Mr. Conant's compensation for fiscal 2008 was as follows:

In June 2007, the Committee reviewed Mr. Conant's salary and his proposed incentive targets for fiscal 2008 as a percentage of his salary for annual and long-term incentives compared to the CEO salary and incentive targets for the Compensation Peer Group. The Committee received the opinion of its independent compensation consultant at the time, Frederic W. Cook & Co., Inc., regarding Mr. Conant's salary and his incentive targets. The Committee met in executive session to discuss the CEO's salary and targets, and the Committee's conclusions were discussed with the independent directors in an executive session. The Committee developed a final recommendation regarding reduced targets for the CEO's annual and long-term incentives for fiscal 2008.

The specific changes approved by the Committee for fiscal 2008 were a reduction in Mr. Conant's AIP target from 175% to 150% of base salary and a reduction in his LTI target (affecting the October 1, 2007 grant discussed below) from 615% to 565% of base salary.

In September 2007, the Committee considered the results of the CEO evaluation and the performance of the Company for fiscal 2007 and developed a final recommendation regarding a salary increase for Mr. Conant. The Committee received advice from its new independent compensation consultant, Yale D. Tauber, the Principal of Independent Compensation Committee Adviser, LLC, regarding Mr. Conant's proposed salary and incentive targets. These recommendations were discussed by the Committee and the independent directors in an executive session, and then discussed with the Board in an executive session and then approved by the Committee.

The Board evaluated Mr. Conant's performance based on the Company's total performance as measured by the scorecard approach described above under Annual Incentive Plan, and evaluated his personal performance in the following areas:

development of a long-term strategy and timely progress toward strategic objectives;

development and communication of a clear and consistent vision of the Company's goals and values;

achievement of appropriate annual and longer-term financial goals;

continuous improvement of the quality, value and competitiveness of Campbell's products and business systems;

management development and succession planning;

programs for the recruitment, training, compensation, retention and motivation of all employees;

spokesperson for the Company; and

relationship with the Board of Directors.

Based on the above review of competitive data, Company performance and Mr. Conant's performance, on October 1, 2007, his salary was increased to \$1,185,000, and he received a grant of 122,585 TSR performance-restricted shares and 52,537 EPS performance-restricted shares. His annual incentive award earned in fiscal 2008 was \$1,866,375. This award was based on Company performance compared to the goals for the AIP described on pages 23 through 25 and his performance as determined by the Board in the CEO evaluation process.

**CFO Resignation and Retirement**

On April 22, 2008, the Company announced that Robert Schiffner would resign from his position as Senior Vice President and Chief Financial Officer by August 1, 2008, or earlier if his successor were appointed, and will retire from the Company on January 31, 2009. Mr. Schiffner has agreed to continue as an employee of the Company beyond the date of his resignation from his former position and until January 31, 2009 to facilitate the Company's smooth transition to a new Chief Financial Officer. His base salary will remain the same at \$525,000, and he will be eligible for annual incentive compensation and long-term incentive compensation in accordance with the regular terms and conditions of those programs. On April 22, 2008, the Company made a special grant to Mr. Schiffner of 55,265 shares of performance-restricted stock under the 2005 Long-Term Incentive Plan. The performance-restricted stock will vest on January 31, 2009, provided Mr. Schiffner remains employed by the Company through that date and successfully assists the Company with the financial reporting, operational, and business transition projects specified in the restricted stock grant agreement. In the event the Company terminates his employment for reasons other than for cause or as a result of his total disability or death prior to January 31, 2009, the shares will vest immediately and will be paid to him or his estate. The shares will be forfeited if, prior to January 31, 2009, Mr. Schiffner retires or is terminated for cause.

**Summary Compensation Table Fiscal 2008**

The following Summary Compensation Table (SCT) provides information concerning the compensation of the Company's Chief Executive Officer, Chief Financial Officer and the three other most highly compensated executive officers (named executive officers or NEOs) for fiscal 2008 and 2007. However, fiscal 2007 information for Ms. Morrison is not provided because she was not a named executive officer of the Company during fiscal 2007. In addition, Mr. Schiffner resigned from the position of Senior Vice President and Chief Financial Officer effective August 1, 2008 and will retire from the Company on January 31, 2009. For a complete understanding of the table, please read the narrative disclosures that follow the table.

Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified Deferred Compensation	All Other Compensation (\$)	
							Earnings (\$)		
	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
	2008	\$ 1,177,500	0	\$ 6,028,736	\$ 233,181	\$ 1,866,375	\$ 224,405	\$ 278,554	\$
Chief Officer	2007	\$ 1,133,333	0	\$ 6,495,915	\$ 1,782,073	\$ 2,793,000	\$ 883,755	\$ 339,645	\$ 1
	2008	\$ 520,000	0	\$ 2,143,058	\$ 23,318	\$ 496,125	\$ 58,011	\$ 96,244	\$
Chief Officer	2007	\$ 491,667	0	\$ 1,104,393	\$ 181,589	\$ 667,359	\$ 676,227	\$ 92,829	\$
<b>Kaden</b>	2008	\$ 566,333	0	\$ 1,532,282	\$ 21,986	\$ 567,000	\$ 0	\$ 160,386	\$

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2007	\$ 530,417	0	\$ 1,250,233	\$ 173,225	\$ 596,960	\$ 370,429	\$ 123,175	\$
2008	\$ 553,333	0	\$ 1,528,759	\$ 23,085	\$ 493,430	\$ 192,028	\$ 71,238	\$
2007	\$ 516,667	0	\$ 1,143,478	\$ 176,601	\$ 582,400	\$ 252,640	\$ 68,544	\$
2008	\$ 510,833	0	\$ 1,366,344	\$ 11,992	\$ 458,185	\$ 573,981	\$ 69,744	\$

**Salary (Column C)**

The amounts reported represent base salaries paid to each of the NEOs for fiscal 2008 and 2007.

**Bonus (Column D)**

No discretionary bonus was paid to any NEO in fiscal 2008. Payments under the AIP are listed in column G.

**Stock Awards (Column E)**

The amounts reported represent the compensation expense recognized for financial reporting purposes in accordance with FAS 123R for restricted share awards for each of the NEOs for financial reporting purposes for fiscal 2008 and 2007. The assumptions used by the Company in calculating these amounts are included in Notes 1 and 13 to Consolidated Financial Statements in the Company's Annual Report on Form 10-K for the year ended August 3, 2008 (Form 10-K). Compensation expense includes amounts from awards granted in and prior to fiscal 2008. The FAS 123R value of a grant is amortized for financial reporting purposes over the number of months to vest, except for awards to retirement-eligible participants, which are amortized over an accelerated period. To see the value of awards made to the NEOs in fiscal 2008, see the Grants of Plan-Based Awards table on page 34. To see the value actually received by the NEOs in fiscal 2008, see the Option Exercises and Stock Vested table on page 36.

The amounts reported in the SCT for these awards may not represent the amounts that the NEOs will actually realize from the awards. Whether, and to what extent, a NEO realizes value will depend on the Company's actual operating performance, stock price fluctuations and the NEO's continued employment. Additional information on all outstanding stock awards is reflected in the Outstanding Equity Awards at Fiscal Year-End table on page 35.

**Option Awards (Column F)**

The amounts reported represent the compensation expense recognized for financial reporting purposes for the fiscal year ended August 3, 2008 for grants of options made prior to fiscal 2006, to each of the NEOs, calculated in accordance with the provisions of FAS 123R. The Company ceased issuing stock options to employees beginning in fiscal 2006. To see the value actually received by the NEOs in fiscal 2008, see the Option Exercises and Stock Vested table on page 36. Details for each of the outstanding option awards to NEOs can be found in the Outstanding Equity Awards at Fiscal Year-End Table on page 35.

The assumptions used by the Company in calculating these amounts are incorporated herein by reference to Notes 1 and 13 to Consolidated Financial Statements in the Form 10-K. The amounts reported in the SCT for these awards may not represent the amounts that the NEOs will actually realize from the awards. Whether, and to what extent, a NEO realizes value will depend on the Company's actual operating performance, stock price fluctuations and the NEO's continued employment. Additional information on all outstanding option awards is reflected in the Outstanding Equity Awards at Fiscal Year-End table on page 35.

**Non-Equity Incentive Plan Compensation (Column G)**

The amounts reported reflect the amounts earned and paid to each NEO for fiscal 2008 and 2007 under the AIP. Payments under the AIP were calculated as described in the Compensation Discussion and Analysis beginning on page 23.

**Change in Pension Value and Nonqualified Deferred Compensation Earnings (Column H)**

The change in pension amounts reported for fiscal 2008 are comprised of changes between July 29, 2007 and August 3, 2008 in the actuarial present value of the accumulated pension benefits for each of the NEOs. The NEOs receive pension benefits under the same formula applied to all U.S. salaried employees, except for benefits accrued under the Mid-Career Hire Pension Plan. The assumptions used by the Company in calculating the change in pension

value are described beginning on page 40.

The values reported in this column are theoretical, as those amounts are calculated pursuant to SEC requirements and are based on assumptions used in preparing the Company's consolidated audited financial statements for the years ended July 29, 2007 and August 3, 2008. The Company's pension plans utilize a different method of calculating actuarial present value for the purpose of determining a lump sum payment, if

any, under the plan. The change in pension value from year to year as reported in the table is subject to market volatility and may not represent the value that a NEO will actually accrue under the Company's pension plans during any given year. The material provisions of the Company's pension plans and deferred compensation plans are described beginning on page 38 and on page 41.

The change in pension amounts for executives was as follows: Mr. Conant: \$158,953; Mr. Schiffner: \$0; Ms. Kaden: \$0; Mr. McWilliams: \$187,445; and Ms. Morrison: \$573,981.

Messrs. Conant, Schiffner and McWilliams received above-market earnings (as this term is defined by the SEC) on their nonqualified deferred compensation accounts because part of their accounts was credited with interest at The Wall Street Journal indexed prime rate. This rate of 7.8% for fiscal 2008 exceeded 120% of the applicable federal long-term rate by 2.24%, and this additional amount is included in column H. The additional amount for these executives was as follows: Mr. Conant: \$65,452; Mr. Schiffner: \$58,011; and Mr. McWilliams: \$4,583.

### All Other Compensation (Column I)

The amounts reported reflect, for each NEO, the sum of (i) the incremental cost to the Company of all perquisites and other personal benefits; (ii) amounts contributed by the Company to the 401(k) plan and the 401(k) supplemental program; and (iii) the premiums paid by the Company for executive long-term disability benefits.

The following table outlines those (i) perquisites and other personal benefits and (ii) additional all other compensation required by the SEC rules to be separately quantified:

Name	Personal Choice(1)	401(k)		Long-Term Disability	Other	Total
		Company Contribution	Supplemental Company Contribution(2)			
Douglas R. Conant	\$ 48,000	\$ 6,900	\$ 113,640	\$ 5,847	\$ 104,167(3)	\$ 278,554
Robert A. Schiffner	\$ 32,000	\$ 6,900	\$ 29,340	\$ 4,004	\$ 24,000(4)	\$ 96,244
Ellen Oran Kaden	\$ 47,000	\$ 6,900	\$ 28,665	\$ 5,557	\$ 72,264(5)	\$ 160,386
Larry S. McWilliams	\$ 32,000	\$ 6,900	\$ 27,822	\$ 4,516	\$ 0	\$ 71,238
Denise M. Morrison	\$ 32,000	\$ 6,900	\$ 27,479	\$ 3,365	\$ 0	\$ 69,744

(1) See page 28 for a description of the Company's Personal Choice program

(2) See page 41 for a description of the supplemental 401(k) program.

(3) Other compensation consisted of \$75,806 for driver expenses and \$28,361 for car expenses.

(4) Other compensation consisted of \$24,000 for commuting expenses.

(5) Other compensation consisted of \$72,264 for driver expenses.

**Total Compensation (Column J)**

The amounts reported in column J are the sum of columns C through I for each of the NEOs. All compensation amounts reported in column J include amounts paid and amounts deferred.

**Grants of Plan-Based Awards in Fiscal 2008**

	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			All Awards	All Other Stock Option Awards	Exercise or Base	Grant Value
		Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)	# of Shares or Securities or Underlying Options	# of Awards	Price (\$/sh)	
R.	TSR Grant	10/1/2007			40,861	122,585	245,170				\$ 4,2
	EPS Grant	10/1/2007			52,537	52,537	52,537				\$ 1,9
r.	TSR Grant	10/1/2007			10,739	32,219	64,438				\$ 1,1
r	EPS Grant	10/1/2007			13,808	13,808	13,808				\$ 5
	Special Grant	4/22/2008			55,265	55,265	55,265				\$ 1,9
an	TSR Grant	10/1/2007			11,158	33,475	66,950				\$ 1,1
	EPS Grant	10/1/2007			14,347	14,347	14,347				\$ 5
ams	TSR Grant	10/1/2007			12,246	36,739	73,478				\$ 1,2
	EPS Grant	10/1/2007			15,745	15,745	15,745				\$ 5
M.	TSR Grant	10/1/2007			10,951	32,855	65,710				\$ 1,1

EPS Grant	10/1/2007	14,080	14,080	14,080	\$	5
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The Compensation Committee sets annual grant targets for executives participating in the LTI Program. The dollar targets are expressed as a percentage of salary and converted to shares based upon the average closing stock price during the last 20 trading days in the month of August. The performance period for the grant is fiscal years 2008-2010. The target shares are issued to the executives on the grant date. During the performance period dividends are paid on the shares at the same time as paid to all shareowners, and the executives have voting rights. The Compensation Committee certifies the attainment of performance goals, and any earned shares are distributed to participants following the end of the applicable performance period. The performance period for TSR shares is fiscal years 2008-2010. One-third of EPS shares are paid based on EPS performance in each of fiscal years 2008, 2009, and 2010. See the description in the CD&A beginning on page 25 for information about targets, performance goals and payment of shares. The grants have specific rules related to the treatment of the shares in the event of termination for cause, voluntary resignation, retirement, involuntary termination and change in control. These provisions are described under Potential Payments Upon Termination or Change in Control beginning on page 41. The amount recognized for financial reporting purposes for fiscal 2008 under FAS 123R for the target grants listed above is included in column (e) (Stock Awards) in the SCT on page 31. For a description of the reason for the special grant to Mr. Schiffner on April 22, 2008, please see page 31.

### Outstanding Equity Awards at Fiscal Year-End

The following table provides information on the current holdings of stock options and restricted stock by the NEOs. This table includes unexercised option awards; unvested time-lapse restricted shares; and unvested performance-restricted shares. Each equity grant is shown separately for each NEO. The vesting schedule for the grants is shown following this table, based on the grant date. The market value of the stock awards is based on the closing market price of Campbell stock as of August 1, 2008, which was \$35.85. The performance-restricted shares, which were initially granted on September 22, 2005, September 28, 2006 or October 1, 2007 are subject to specific goals during the performance period as explained in the CD&A beginning on page 25. The market value as of August 1, 2008, shown below assumes the satisfaction of these goals. For additional information about the option awards and restricted stock awards prior to fiscal 2008, see the description of long-term incentive compensation in the CD&A beginning on page 25.

Grant Date for Options (a)	Option Awards(1) Equity Incentive Plan Number of Awards: Number of Securities of					Stock Awards(2) Equity Incentive Plan Awards: Number of Shares or Units of Unvested			
	Unexercised Options Exercisable (#) (b)	Unexercised Options Unexercisable (#) (c)	Underlying Securities Earned Options (#) (d)	Option Exercise Price (\$) (e)	Option Expiration Date (f)	Grant Date for Restricted Shares (g)	Number of Shares or Units of Unvested Stock (#) (h)(3)	Market Value of Shares or Units of Unvested Stock (\$) (i)	or Units of Unvested Stock (#) (j)
1/8/2001	1,000,000	0		\$ 32.41	1/8/2011	9/23/2004	19,359	\$ 694,020	
9/28/2001	900,000	0		\$ 27.99	9/28/2011	9/22/2005			157,500
7/25/2002	382,675	0		\$ 22.95	7/25/2012	9/28/2006			125,934
9/25/2003	904,000	0		\$ 26.84	9/25/2013	10/1/2007			122,585
9/23/2004	805,000	0		\$ 26.36	9/23/2014	9/22/2005			22,500
						9/28/2006			35,981
						10/1/2007			52,537
2/26/2001	65,000	0		\$ 29.03	2/26/2011	9/23/2004	8,000	\$ 286,800	
9/28/2001	108,000	0		\$ 27.99	9/28/2011	9/22/2005			23,336
7/25/2002	86,250	0		\$ 22.95	7/25/2012	9/28/2006			24,780
9/25/2003	100,000	0		\$ 26.84	9/25/2013	10/1/2007			32,219
9/23/2004	80,500	0		\$ 26.36	9/23/2014	9/22/2005			4,400
						9/28/2006			7,080

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					10/1/2007			13,808
					4/22/2008			55,265
6/22/2000	81,250	0	\$ 29.60	6/22/2010	9/23/2004	9,034	\$ 323,869	
9/28/2001	108,000	0	\$ 27.99	9/28/2011	9/22/2005			24,662
7/25/2002	86,250	0	\$ 22.95	7/25/2012	9/28/2006			27,020
9/25/2003	100,000	0	\$ 26.84	9/25/2013	10/1/2007			33,475
9/23/2004	75,900	0	\$ 26.36	9/23/2014	9/22/2005			4,650
					9/28/2006			7,720
					10/1/2007			14,347
3/12/2001	35,000	0	\$ 30.97	3/12/2011	9/23/2004	8,467	\$ 303,542	
9/28/2001	58,500	0	\$ 27.99	9/28/2011	9/22/2005			31,500
7/25/2002	51,750	0	\$ 22.95	7/25/2012	9/28/2006			28,070
9/25/2003	90,000	0	\$ 26.84	9/25/2013	10/1/2007			36,739
9/23/2004	79,695	0	\$ 26.36	9/23/2014	9/22/2005			4,500
					9/28/2006			8,020
					10/1/2007			15,745
4/28/2003	65,000	0	\$ 22.10	4/28/2013	9/23/2004	4,667	\$ 167,312	
9/25/2003	62,000	0	\$ 26.84	9/25/2013	9/22/2005			23,800
9/23/2004	41,400	0	\$ 26.36	9/23/2014	9/28/2006			23,800
					10/1/2007			32,855
					9/22/2005			3,400
					9/28/2006			6,800
					10/1/2007			14,080

(1) All options vested in accordance with the following schedule:

the first 30% vested on the first anniversary of the grant date;

an additional 30% vested on the second anniversary of the grant date; and

an additional 40% vested on the third anniversary of the grant date.

(2) The different stock awards vest as explained below.

The time-lapse restricted shares listed in column (h) vest in accordance with the following schedule:

Grant Date      Vesting Schedule

9/23/2004      1/3 vests in 21/2 years; 1/3 vests in 31/2 years; and 1/3 vests in 41/2 years.

The performance-restricted shares listed in column (j) vest in accordance with the following schedule:

Grant Dates                      Vesting Schedule

9/22/2005, 9/28/2006  
and 10/1/2007      The TSR performance-restricted shares which are listed first in column (j), vest 100% in 3 years, if the performance goal is 100% achieved (see page 26 of CD&A). The EPS performance-restricted shares which are listed second in column (j), vest 1/3 in 1 year; 1/3 in 2 years; and 1/3 in 3 years, provided the fiscal year EPS performance goal is achieved (see page 27 of CD&A).

(3) The 55,265 special grant shares for Mr. Schiffner listed in column (j) vest on 1/31/2009.

### Option Exercises and Stock Vested in Fiscal 2008

The following table provides information, for the NEOs on (1) stock option exercises during fiscal 2008, including the number of shares acquired upon exercise and the value realized and (2) the number of shares acquired upon the vesting of stock awards and the value realized, each before payment of any applicable withholding tax.

Name (a)	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#) (b)	Value Realized on Exercise (\$) (c)	Number of Shares Acquired on Vesting (#) (d)	Value Realized on Vesting (\$) (e)
Douglas R. Conant(1)	422,325	\$ 5,088,189	80,648	\$ 2,883,983
Robert A. Schiffner(2)	0	0	31,038	\$ 1,090,892
Ellen Oran Kaden(3)	0	0	34,131	\$ 1,199,051
Larry S. McWilliams(4)	0	0	25,311	\$ 892,956
Denise M. Morrison(5)	0	0	17,968	\$ 635,291

(1) The dollar value realized on exercise of stock options reflects the total pre-tax value realized (Campbell stock price at exercise minus the option's exercise price), not the grant-date fair value or recognized compensation expense disclosed elsewhere in the proxy statement. Mr. Conant acquired 17,990 EPS performance-restricted shares with a market price of \$37.00 on September 30, 2007. His deferred compensation account was credited

with 40,158 fully vested Campbell stock units on April 1, 2008, upon the vesting of 40,158 time-lapse restricted shares, and 22,500 fully vested Campbell stock units on September 30, 2007, upon the vesting of 22,500 EPS performance-restricted shares. He had elected to defer the shares to Campbell stock units shortly after the grant dates.

- (2) Mr. Schiffner acquired 15,634 shares with a market price of \$34.51 on April 1, 2008, upon the vesting of time-lapse restricted shares, and 7,940 shares with a market price of \$37.00 on September 30, 2007, upon the vesting of EPS performance-restricted shares. The number of shares acquired on vesting of stock awards in the table also includes 7,464 TSR performance-restricted shares whose vesting was accelerated from September 2008 to April 1, 2008 with a market price of \$34.51 for purposes of satisfying a tax withholding obligation with respect to 20,533 unvested TSR performance-restricted shares that were deemed taxable prior to vesting due to Mr. Schiffner's having reached retirement eligibility under the LTI Program.
- (3) Ms. Kaden acquired 17,733 shares with a market price of \$34.51 on April 1, 2008, upon the vesting of time-lapse restricted shares, and 8,510 shares with a market price of \$37.00 on September 30, 2007, upon the vesting of EPS performance-restricted shares. The number of shares acquired on vesting of

stock awards in the table also includes 7,888 TSR performance-restricted shares whose vesting was accelerated from September 2008 to April 1, 2008 with a market price of \$34.51 for purposes of satisfying a tax withholding obligation with respect to 21,700 unvested TSR performance-restricted shares that were deemed taxable prior to vesting due to Ms. Kaden s having reached retirement eligibility under the LTI Program.

- (4) Mr. McWilliams acquired 15,134 shares with a market price of \$34.51 on April 1, 2008, upon the vesting of time-lapse restricted shares, and 8,510 shares with a market price of \$37.00 on September 30, 2007, upon the vesting of EPS performance-restricted shares. In addition, he acquired 1,667 shares on June 1, 2008, upon the vesting of time-lapse restricted shares, with a market price of \$33.48 on the last preceding business day, May 30, 2008.
- (5) Ms. Morrison acquired 4,667 shares with a market price of \$34.51 on April 1, 2008, upon the vesting of time-lapse restricted shares, and 6,800 shares with a market price of \$37.00 on September 30, 2007, upon the vesting of EPS performance-restricted shares. In addition, she acquired 1,667 shares on June 1, 2008, upon the vesting of time-lapse restricted shares, with a market price of \$33.48 on the last preceding business day, May 30, 2008. Her deferred compensation account was credited with 4,834 fully vested Campbell stock units on April 1, 2008, upon the vesting of 4,834 time-lapse restricted shares. She had elected to defer 4,834 of the shares that vested on April 1, 2008 to Campbell stock units after the grant date.

**Pension Benefits**

<b>Name (a)</b>	<b>Plan Name (b)</b>	<b>Number of Years of Credited Service (#) (c)</b>	<b>Present Value of Accumulated Benefit (\$) (d)</b>	<b>Payments During Last Fiscal Year (\$) (e)</b>
<b>Douglas R. Conant</b>	Retirement and Pension Plan	7.6	\$ 130,433	\$ 0
	Mid-Career Hire Pension Plan	7.6	\$ 8,679,351	\$ 0
<b>Robert A. Schiffner</b>	Retirement and Pension Plan	7.5	\$ 138,198	\$ 0
	Mid-Career Hire Pension Plan	7.5	\$ 2,948,526	\$ 0
<b>Ellen Oran Kaden</b>	Retirement and Pension Plan	10.3	\$ 245,766	\$ 0
	Mid-Career Hire Pension Plan	10.3	\$ 2,886,527	\$ 0
<b>Larry S. McWilliams</b>	Retirement and Pension Plan	7.4	\$ 107,784	\$ 0
	Mid-Career Hire Pension Plan	7.4	\$ 1,171,526	\$ 0
<b>Denise M. Morrison</b>	Retirement and Pension Plan	5.3	\$ 90,103	\$ 0
	Mid-Career Hire Pension Plan	5.3	\$ 1,914,027	\$ 0

Senior executives participate in two defined benefit plans: (1) the Retirement and Pension Plan ( Qualified Plan ) and (2) the Mid-Career Hire Pension Plan ( MCHP ).

**The Qualified Plan**

The Qualified Plan was established and designed to provide funded, tax-qualified pension benefits for eligible U.S.-based employees of the Company up to the limits allowed under the IRC. The Qualified Plan became a cash balance pension plan on May 1, 1999. Participants who had an accrued benefit as of April 30, 1999 are eligible to receive the greater of their pension benefit under the prior plan formula, which is based on final average pay, or the

cash balance benefit. Employees who became participants in the Qualified Plan on or after May 1, 1999 are eligible only for the cash balance benefit. All of the NEOs, with the exception of Ms. Kaden, became participants in the Qualified Plan after May 1, 1999.

A participant in the Qualified Plan receives an account consisting of an opening account balance, pay credits and interest credits.

*Opening Account Balance:* If an employee was an active participant on April 30, 1999, he or she would receive an opening account balance consisting of an age 65 benefit accrued under the Qualified Plan as of December 31, 1998, converted to a lump sum cash value using an interest rate of 5.25% and the 1983 unisex Group Annuity Mortality table. If an employee became a participant on or after May 1, 1999, the opening account balance is zero.

*Pay Credits:* Pay credits equal a percentage of a participant's eligible compensation, which is limited by the IRC. Pay credits are credited as of the last day of each calendar year and made based upon the following formula:

<b>Age as of December 31 of Prior Calendar Year</b>	<b>Pay Credit Rate</b>
Less than 30	4.5%
30 but less than 40	5.5%
40 but less than 50	7.0%
50 but less than 60	8.0%
60 or more	9.0%

If a participant terminates employment before the end of a calendar year, he or she will be credited with pay credits as of the last day of the month in which the employment ended.

**Interest Credits:** Interest is credited to a participant's cash balance account as of the last day of each calendar year and is based on the average annual yield on the 30-year U.S. Treasury securities for the November of the prior calendar year. Interest credits will never be less than 2.5% or more than 10%.

Eligible compensation includes non-deferred base pay and AIP payments, deferred compensation attributable to cafeteria plan contributions and 401(k) plan deferrals. Under the Qualified Plan, the named executive officers are not eligible for unreduced benefits before attaining the normal retirement age of 65. The only exception is Ms. Kaden, who will be eligible for an unreduced benefit after attaining age 62. In addition, the Company does not credit extra service beyond the actual years of an employee's participation in the plan. Qualified Plan participants are 100% vested in their accrued benefit after attaining three years of service. Lump sum payments are available as a form of distribution under the Qualified Plan.

The Present Value of Accumulated Benefit is the lump sum present value of the annual pension benefit that was earned as of August 3, 2008, and that would be payable at age 65. The present value of accumulated benefits for the Qualified Plan was determined in the same manner for all named executive officers, except for Ms. Kaden.

Because Ms. Kaden had an accrued benefit on April 30, 1999, her benefit is determined using the prior plan formula of 1% of her Final Average Pay up to the Social Security Covered Compensation amount plus 1.5% of her Final Average Pay in excess of the Social Security Covered Compensation times her years of service. Final Average Pay is the average of eligible compensation earned in the highest 5 calendar years, whether or not consecutive, during the last 10 years of employment. Social Security Covered Compensation is the un-indexed average of the taxable wage base in effect for each calendar year during the 35-year period ending with the last day of the calendar year in which the participant ceases to be an employee of the Company. Under the prior plan formula, if a participant continues to work with the Company until at least age 55 with 5 years of service, the benefit is reduced 5% per year for each year that the benefit commences prior to age 62. If the participant terminates employment after attaining age 62, he or she is eligible for an unreduced benefit. The present value of Ms. Kaden's accumulated benefit is the lump sum present value of the annual pension benefit that was earned as of August 3, 2008, and that would be payable at age 62.

### **The MCHP**

The MCHP is an unfunded, nonqualified plan for certain U.S.-based senior executives. It is intended to provide a participant with a pension benefit which approximates the pension earned by an employee who worked his or her entire career for the Company. The Company established the MCHP to attract and retain more experienced executives who were hired mid-career and would be unable to accumulate a full pension over an entire career with a single employer. The MCHP also provides benefits in excess of the IRC limits that are applicable to the Qualified Plan.

The benefit provided under the MCHP is payable as an annuity beginning on the first day of the seventh month following termination of employment. Depending on a participant's age and years of service, he or she will be eligible to receive an MCHP benefit under either the income replacement formula or the excess benefit formula. If a participant satisfies the eligibility criteria such that he or she is eligible for an MCHP benefit under both formulas, the formula resulting in the higher benefit shall apply.

### **Income Replacement Formula**

A participant who is age 55 with at least 5 years of service is eligible for an MCHP benefit under the income replacement formula. If such a participant terminates employment on or after age 62, the MCHP benefit is calculated as an annual single life annuity equal to 37.5% of a participant's Adjusted Final Pay reduced by the Qualified Plan benefit. If the participant terminates before age 62, the single life annuity will be reduced by 5% per year for each year that the benefit commences prior to age 62. Adjusted Final Pay is equal to the average of eligible compensation earned

in the highest 5 calendar years, whether or not consecutive, during the last 10 years of a participant's career as a covered employee. Participants are eligible for unreduced pensions under the income replacement formula beginning at age 62.

## Excess Benefit Formula

A participant who has at least 3 years of service is eligible for an MCHP benefit under the excess benefit formula. If such a participant terminates employment on or after 3 years of service, the benefit is calculated using the pension formula under the Qualified Plan described above but only on eligible compensation in excess of the IRC limit on compensation. Participants shall receive reduced pensions under the excess benefit formula if they begin to receive payments before normal retirement age, which is age 65.

The MCHP defines eligible compensation in the same manner as in the Qualified Plan. In addition, the MCHP provides benefit accruals on base pay or AIP payments that are deferred. Messrs. Conant, Johnson, and Schiffner and Ms. Kaden are vested in the MCHP benefit using the income replacement formula as they have satisfied the age and service criteria. Mr. McWilliams and Ms. Morrison have vested in the MCHP benefit using the excess benefit formula. Currently, none of the NEOs have attained age 62. The Company does not grant extra years of service for the pension benefit portion of the MCHP benefit. The Present Value of Accumulated Benefit is the lump sum present value of the annual pension benefit that was earned as of August 3, 2008, and that would be payable under the MCHP at age 62. A lump sum form of payment was used for purposes of completing the Pension Benefit Table, although a lump sum form of payment is not available under the MCHP.

## Assumptions

For purposes of determining the Present Value of Accumulated Benefits, the following assumptions were used:

<b>Fiscal Year Ended</b>	<b>2008</b>	<b>2007</b>
FAS 87 Discount Rate	7.0%	6.5%
Retirement Age for Qualified Plan	65 for cash balance or 62 for the prior plan formula	65 for cash balance or 62 for the prior plan formula
Retirement Age for MCHP	62	62
Pre-retirement Mortality or Disability	None	None
Post-retirement Mortality	1994 GAM M/F	1994 GAM M/F
Cash Balance Interest Rate	4.75%	5.00%
Form of Payment	Lump sum using FAS 87 assumption methods	Lump sum using FAS 87 assumption methods

The accumulated benefit is calculated based on credited service and pay as of August 3, 2008. The values reported in the Present Value of Accumulated Benefit column are theoretical and are calculated and presented according to SEC requirements. These values are based on assumptions used in preparing the Company's consolidated audited financial statements for the year ended August 3, 2008. The Company's pension plans use a different method of calculating actuarial present value for the purpose of determining a lump sum payment, if any, under the plans. Using applicable plan assumptions, the lump sum present value of the two defined benefit plans combined for each NEO as of August 3, 2008 and payable as of September 1, 2008 was as follows: Mr. Conant: \$10,155,787; Mr. Schiffner: \$3,379,379; Ms. Kaden: \$3,513,579; Mr. McWilliams: \$499,269; and Ms. Morrison: \$339,454. All benefit calculations set forth in this narrative and on the Pension Benefit Table are estimates only; actual benefits will be based on data, applicable plan assumptions, pay and service at time of retirement.



## Nonqualified Deferred Compensation

Name	Plan Name	Executive Contributions in Last Fiscal Year (\$)	Registrant Contributions in Last Fiscal Year (\$)	Aggregate		Aggregate Balance at Fiscal Year End (1) (\$)
				Aggregate Earnings in Last Fiscal Year (\$)	Withdrawals/ in Last Fiscal Year (\$)	
Douglas R. Conant	Deferred Compensation Plan I	\$ 0	\$ 0	\$ 155,269	\$ 0	\$ 8,072,322
	Deferred Compensation Plan II	\$ 2,526,606	\$ 113,640	\$ (48,270)	\$ 0	\$ 9,263,264
Robert A. Schiffner	Deferred Compensation Plan I	\$ 0	\$ 0	\$ 137,767	\$ 0	\$ 1,745,618
	Deferred Compensation Plan II	\$ 333,680	\$ 29,340	\$ 72,284	\$ 0	\$ 1,077,678
Ellen Oran Kaden	Deferred Compensation Plan I	\$ 0	\$ 0	\$ (20,140)	\$ 0	\$ 1,195,231
	Deferred Compensation Plan II	\$ 0	\$ 28,665	\$ (719)	\$ 0	\$ 84,624
Larry S. McWilliams	Deferred Compensation Plan I	\$ 0	\$ 0	\$ 2,613	\$ 0	\$ 351,126
	Deferred Compensation Plan II	\$ 0	\$ 27,822	\$ (655)	\$ 0	\$ 78,742
Denise M. Morrison	Deferred Compensation Plan I	\$ 0	\$ 0	\$ (272)	\$ 0	\$ 16,116
	Deferred Compensation Plan II	\$ 169,724	\$ 27,479	\$ 534	\$ 0	\$ 624,896

(1) The amounts listed for Mses. Kaden and Morrison, and Messrs. Conant, Schiffner and McWilliams include amounts previously reported in summary compensation tables as annual incentive payments or the value of

grants of restricted stock.

The Deferred Compensation Plans are unfunded and maintained for the purpose of providing the Company's U.S.-based executives and key managers the opportunity to defer a portion of their earned compensation. Participants may defer a portion of their base salaries and all or a portion of their annual incentive compensation, and long-term incentive awards.

Each participant's contributions to the plans are credited to an investment account in the participant's name. Gains and losses in the participant's account are based on the performance of the investment choices the participant has selected. Six investment choices are available, including the Campbell Stock Account. In addition to the Stock Account, participants have the opportunity to invest in book accounts that track the performance of: (i) Fidelity's Spartan U.S. Equity Index Fund; (ii) Fidelity's Puritan Fund; (iii) Fidelity's Spartan Extended Market Index Fund; (iv) Fidelity's Spartan International Index Fund; and (v) a book account that credits interest at the Wall Street Journal indexed prime rate. A participant may reallocate his or her investment account at any time among the six investment choices, except that (i) restricted stock awards must be invested in the Stock Account during the restriction period, and (ii) reallocations of the Stock Account must be made in compliance with the Company's policies on trading Company stock. Dividends on amounts invested in the Stock Account may be reallocated among the six investment accounts.

The Company credits a participant's account with an amount equal to the matching contribution that the Company would have made to the participant's 401(k) plan account if the participant had not deferred compensation under the plans. In addition, for those individuals whose base salary and annual incentive compensation exceed the IRC indexed compensation limit for the 401(k) plan (\$225,000 for calendar 2007 and \$230,000 for calendar 2008) and who defer 5% of eligible pay to the 401(k) plan, the Company credits such individual's account with an amount equal to the matching contribution the Company would have made to the 401(k) plan but for the compensation limit (supplemental 401(k) program). These Company contributions vest in 20% increments over the participant's first five (5) years of credited service; after the participant's first five (5) years of service, the Company contributions vest immediately. All of the NEOs have completed five years of service and therefore all Company contributions are fully vested. Except as described above, there is no Company match on deferred compensation.

#### **Potential Payments upon Termination or Change in Control**

The following section describes potential incremental payments upon termination of a NEO's employment under various circumstances.

### **Termination for Cause**

In the event of termination for cause, a NEO will forfeit any:

unpaid annual incentive compensation;

unvested time-lapse restricted shares and performance-restricted shares or units; and

all unexercised stock options, whether or not vested.

The NEO will be entitled to any vested pension benefit and vested balance in his or her deferred compensation account.

### **Voluntary Resignation**

In the event of voluntary resignation prior to the end of a fiscal year, a NEO will forfeit any:

annual incentive compensation for that fiscal year; and

unvested time-lapse restricted shares and performance-restricted shares or units.

The NEO will be entitled to any vested pension benefits and vested balance in his or her deferred compensation account, and can exercise any outstanding vested stock options within three months of the officer's last day of employment.

### **Retirement**

In the event of retirement after attaining age 55 and 5 years of service, a NEO will be entitled to:

A pro rata portion of any annual incentive compensation for the current fiscal year based upon length of employment during the year, provided the officer was employed for at least three months in the fiscal year. The pro rata portion will be paid out based upon business unit/function performance and individual performance as explained in the CD&A.

A pro rata portion of any unvested time-lapse restricted shares or units based upon length of employment during the applicable restriction period.

A pro rata portion of any TSR performance-restricted shares or units based upon length of employment during the three-year restriction period, provided the executive officer retires at least six months after the grant date. The pro rata portion will be paid out at the end of the restriction period based upon the Company's TSR ranking as explained in the CD&A.

100% of any EPS performance-restricted shares or units at the end of the restriction period based upon the Company's EPS performance as explained in the CD&A, provided the NEO retires at least six months after the grant date.

The NEO will be entitled to any vested pension benefit and vested balance in his or her deferred compensation account, and can exercise any outstanding stock options through the end of the option expiration period.

**Involuntary Termination**

In the event of involuntary termination by the Company for any reason other than cause, a NEO will be entitled to:

A pro rata portion of any annual incentive compensation based upon length of employment during the fiscal year, provided the officer was employed for at least three months in the fiscal year. The pro rata portion will be paid out based upon business unit/function performance and individual performance as explained in the CD&A.

A pro rata portion of any unvested time-lapse restricted shares or units based upon length of employment during the applicable restriction period.

A pro rata portion of any TSR performance-restricted shares or units based upon length of employment during the three-year restriction period, provided the executive officer's employment continued at least six months after the grant date. The pro rata portion will be paid out at the end of the restriction period based upon the Company's TSR ranking as explained in the CD&A.

A pro rata portion of any EPS performance-restricted shares or units based upon length of employment during the restriction period, provided the executive officer's employment continued at least six months after the grant date. The pro rata portion will be paid out at the end of the restriction period based upon the Company's EPS performance as explained in the CD&A.

The NEO will be entitled to any vested pension benefit and vested balance in any deferred compensation account, and can exercise any vested outstanding stock options for a period of three years following the officer's last day of employment.

The Company has a regular severance policy that applies to all the executive officers, including the NEOs. An executive officer will receive severance benefits equal to two times the officer's base salary if the officer's employment is involuntarily terminated by the Company without cause, except for change in control severance benefits which are described below. The severance benefits also include the continuation of medical benefits and life insurance unless the executive obtains medical benefits or life insurance from another employer.

In order to receive severance payments executive officers must execute severance agreements that contain provisions prohibiting the executive officer from disparaging the Company, soliciting Company employees to work elsewhere and competing with the Company.

### **Change in Control**

Generally, a "Change in Control" will be deemed to have occurred in any of the following circumstances:

- (i) the acquisition of 25% or more of the outstanding voting stock of the Company by any person or entity, with certain exceptions for Dorrance family members;
- (ii) the persons serving as directors of the Company as of September 28, 2000, and those replacements or additions subsequently approved by a two-thirds vote of the Board, cease to make up more than 50% of the Board;
- (iii) a merger, consolidation or share exchange in which the shareowners of the Company prior to the merger wind up owning 50% or less of the surviving corporation; or
- (iv) a complete liquidation or dissolution of the Company or disposition of all or substantially all of the assets of the Company.

Under the Special CIC Agreements with the NEOs, severance pay would equal two and one half years' base salary and annual incentive, medical, life and disability benefits would be provided at the expense of the Company for the lesser of (i) 30 months or (ii) the number of months remaining until the executive's 65th birthday. The Company would pay in a single payment an amount equal to the value of the benefit the executive would have accrued under the Company's pension and 401(k) plans had the executive remained in the employ of the Company for an additional 30 months or until his or her 65th birthday, if earlier. The payments of these amounts are listed as "other payments" in the following tables.

Upon a Change in Control and termination of employment within two years, all restrictions upon any time-lapse restricted shares would lapse immediately and all such shares would become fully vested. An executive officer would become vested in, and restrictions would lapse on, the greater of (i) fifty percent (50%) of any performance-restricted shares or (ii) a pro rata portion of such performance-restricted shares based on the portion of the performance period that has elapsed to the date of the change in control.

During any fiscal year in which a Change in Control occurs, each participant in the Annual Incentive Plan (a) whose employment is terminated prior to the end of such year or (b) who is in the employ of the Company on the last day of such year would be entitled to receive, within thirty (30) days thereafter, a cash payment

equal to the greater of (i) his or her target bonus award for such year or (ii) the average of the awards paid or payable to him or her under the AIP for the two most recent fiscal years ended prior thereto. Any amount to be paid to a participant who is not employed for the entire fiscal year would be prorated. The Special CIC Agreements provide for gross-up payments to cover any federal excise taxes owed on change in control-related severance payments/benefits.

The following tables display the incremental payments that would be made and the value of options or restricted stock that would vest in the event of termination for the reasons listed. The amounts listed for performance-restricted shares assume that the applicable performance goal is 100% attained, except in the event of a change in control. The amounts listed assume that termination occurred as of August 1, 2008 when the Company's stock price was \$35.85. The NEOs would be entitled to any vested pension benefits and any vested amounts in deferred compensation accounts that are disclosed above under Pension Benefits and Nonqualified Deferred Compensation. If a NEO is eligible to retire, the amounts listed below for voluntary resignation and retirement are the same.

### Douglas R. Conant

Incremental Benefits and Payments Upon Termination	Voluntary		Involuntary Termination Without Cause	Change-in-Control
	Resignation	Retirement		
<b>Compensation:</b>				
- Annual Incentive Plan (AIP) Award				\$ 870,250
- Equity	\$ 13,883,631	\$ 13,883,631	\$ 13,883,631	\$ 13,689,366
<b>Benefits &amp; Perquisites:</b>				
- Health and Welfare Benefits			\$ 32,492	\$ 40,615
<b>Severance:</b>				
- Cash			\$ 2,370,000	\$ 9,581,875
- Excise Tax Gross-Up				\$ 11,323,000
- Other Payments				\$ 2,168,477
<b>TOTAL:</b>	\$ 13,883,631	\$ 13,883,631	\$ 16,286,123	\$ 37,673,583

### Robert A. Schiffner

Incremental Benefits and Payments Upon Termination	Voluntary		Involuntary Termination Without Cause	Change-in-Control
	Resignation	Retirement		
<b>Compensation:</b>				
- Annual Incentive Plan (AIP) Award				\$ 154,055
- Equity	\$ 3,717,875	\$ 3,717,875	\$ 3,717,875	\$ 4,035,622
<b>Benefits &amp; Perquisites:</b>				
- Health and Welfare Benefits			\$ 20,472	\$ 25,590
<b>Severance:</b>				
- Cash			\$ 1,050,000	\$ 2,878,886
- Excise Tax Gross-Up				\$ 3,817,000
- Other Payments				\$ 623,926



**Ellen Oran Kaden**

Incremental Benefits and Payments Upon Termination	Voluntary		Involuntary Termination Without Cause	Change-in-Control
	Resignation	Retirement		
<b>Compensation:</b>				
- Annual Incentive Plan (AIP) Award				\$ 108,917
- Equity	\$ 3,261,100	\$ 3,261,100	\$ 3,261,100	\$ 3,248,741
<b>Benefits &amp; Perquisites:</b>				
- Health and Welfare Benefits			\$ 29,710	\$ 37,138
<b>Severance:</b>				
- Cash			\$ 1,200,000	\$ 3,022,293
- Excise Tax Gross-Up				\$ 2,287,000
- Other Payments				\$ 509,270
<b>TOTAL:</b>	\$ 3,261,100	\$ 3,261,100	\$ 4,490,810	\$ 9,213,359

**Larry S. McWilliams**

Incremental Benefits and Payments Upon Termination	Voluntary		Involuntary Termination Without Cause	Change-in-Control
	Resignation	Retirement		
<b>Compensation:</b>				
- Annual Incentive Plan (AIP) Award				\$ 74,033
- Equity			\$ 2,965,377	\$ 3,303,034
<b>Benefits &amp; Perquisites:</b>				
- Health and Welfare Benefits			\$ 21,234	\$ 26,543
<b>Severance:</b>				
- Cash			\$ 1,120,000	\$ 2,821,750
- Excise Tax Gross-Up				\$ 2,884,000
- Other Payments				\$ 2,241,019
<b>TOTAL:</b>			\$ 4,106,611	\$ 11,350,379

**Denise M. Morrison**

Incremental Benefits and Payments Upon Termination	Voluntary		Involuntary Termination Without Cause	Change-in-Control
	Resignation	Retirement		
<b>Compensation:</b>				
- Annual Incentive Plan (AIP) Award				\$ 74,389

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- Equity	\$ 2,603,060	\$ 2,641,888
<b>Benefits &amp; Perquisites:</b>		
- Health and Welfare Benefits	\$ 20,450	\$ 25,563
<b>Severance:</b>		
- Cash	\$ 1,040,000	\$ 2,634,305
- Excise Tax Gross-Up		\$ 2,934,000
- Other Payments		\$ 2,496,096
<b>TOTAL:</b>	\$ 3,663,510	\$ 10,806,241

## Director Compensation

Name (a)	Fees		Change in Pension Value and Non-Equity Nonqualified Incentive Plan			All Other Compensation	Total
	Earned or Paid in Cash (\$) (b)	Stock Awards (\$) (c)	Option Awards (\$) (d)	Compensation (\$) (e)	Nonqualified Deferred Comp Earnings (\$) (f)		
Edmund M. Carpenter	\$ 89,200	\$ 89,003	\$ 35,156	\$ 0	\$ 0	\$ 213,359	
Paul R. Charron	\$ 83,200	\$ 89,003	\$ 35,156	\$ 0	\$ 4,075	\$ 211,434	
Bennett Dorrance	\$ 83,200	\$ 89,003	\$ 65,897	\$ 0	\$ 0	\$ 238,100	
Kent B. Foster(5)	\$ 89,200	\$ 89,003	\$ 35,156	\$ 0	\$ 0	\$ 213,359	
Harvey Golub	\$ 296,200	\$ 314,031	\$ 118,715	\$ 0	\$ 0	\$ 728,946	
Randall W. Larrimore	\$ 87,200	\$ 89,003	\$ 35,156	\$ 0	\$ 0	\$ 211,359	
Philip E. Lippincott(6)	\$ 87,200	\$ 89,003	\$ 35,156	\$ 0	\$ 0	\$ 211,359	
Mary Alice D. Malone	\$ 83,200	\$ 89,003	\$ 35,156	\$ 0	\$ 0	\$ 207,359	
Sara Mathew	\$ 87,200	\$ 89,003	\$ 26,175	\$ 0	\$ 0	\$ 202,378	
David C. Patterson	\$ 83,200	\$ 89,003	\$ 35,156	\$ 0	\$ 0	\$ 207,359	
Charles R. Perrin	\$ 89,200	\$ 89,003	\$ 35,156	\$ 0	\$ 312	\$ 213,671	
A. Barry Rand	\$ 83,200	\$ 89,003	\$ 26,175	\$ 0	\$ 102	\$ 198,480	
George Strawbridge, Jr.	\$ 87,200	\$ 89,003	\$ 52,462	\$ 0	\$ 0	\$ 228,665	
Les C. Vinney	\$ 97,200	\$ 89,003	\$ 45,632	\$ 0	\$ 0	\$ 231,835	
Charlotte C. Weber	\$ 83,200	\$ 89,003	\$ 35,156	\$ 0	\$ 0	\$ 207,359	

- (1) Represents the closing price on December 31, 2007 of the Company's common stock on the New York Stock Exchange times the 2,491 shares issued to each director on January 2, 2008 for their annual Board stock retainer. In addition, Harvey Golub received 6,054 shares on September 28, 2007, which represents 50% of his chairman's annual retainer with a market price of \$37.17 on September 27, 2007. The chairman's stock retainer is delivered at the beginning of the fiscal year. The other 50%, or \$225,000, is paid in cash on a monthly basis.
- (2) All figures reflect the dollar amount of expenses recognized for financial statement purposes for the fiscal year ended August 3, 2008 in accordance with FAS 123R for options granted to directors prior to fiscal 2008. No options were granted to directors in fiscal 2007 or fiscal 2008. The aggregate number of stock options outstanding for each non-employee director as of August 3, 2008 was as follows:

Name	Options(#)
------	------------

Edmund M. Carpenter	82,648
Paul R. Charron	28,516
Bennett Dorrance	98,890
Kent B. Foster	63,821
Harvey Golub	117,420
Randall W. Larrimore	36,651
Philip E. Lippincott	97,876
Mary Alice D. Malone	54,401
Sara Mathew	10,336
David C. Patterson	44,784
Charles R. Perrin	53,568
A. Barry Rand	10,336
George Strawbridge, Jr.	101,173
Les C. Vinney	31,150
Charlotte C. Weber	54,401

(3) These amounts represent above-market earnings on the Wall Street Journal Index Prime Rate Fund (see page 33).

(4) The aggregate perquisites to any individual director did not exceed the SEC reporting threshold amount of \$10,000.

- (5) On March 26, 2008, Mr. Foster retired from the Board of Directors of Campbell Soup Company.
- (6) Due to the Company's director retirement policy, Mr. Lippincott will not stand for reelection at the 2008 annual shareholders meeting.

### **Director Equity and Cash Retainers**

For fiscal 2008, each non-employee director received an annual unrestricted stock retainer valued at approximately \$89,000, and an annual cash retainer of \$71,200 for his or her services as a member of the Company's Board of Directors. In addition, the members of the Audit Committee received an annual retainer of \$10,000 and the chairman received an annual retainer of \$20,000. Other committee members received an annual retainer of \$6,000 and the chairmen received an annual retainer of \$12,000. The non-executive chairman of the Board was paid an additional annual retainer of \$450,000, half of which is paid in unrestricted stock and half in monthly cash installments. Directors may elect to receive unrestricted stock in lieu of cash payments.

### **Deferred Compensation Plans for Non-Employee Directors**

Under the deferred compensation plans, a non-employee director may elect to defer payment of all or a portion of his or her fees until termination of his or her directorship. Directors participate in the same plans as executives. See page 41 for a description of the material terms of the Deferred Compensation Plans.

### **Additional Arrangements**

The Company pays for or provides (or reimburses directors for out-of-pocket costs incurred for) transportation, hotel, food and other incidental expenses related to attending Board and committee meetings or participating in director education programs and other director orientation or education meetings. In addition, non-employee directors are eligible to participate in the Company's charitable matching gift program, pursuant to which the Company will pay, on a one-to-one basis, up to \$3,000 per year in contributions to educational and certain other charitable institutions.

**Item 2**

**Ratification of Appointment of Independent Registered Public Accounting Firm**

**Your Board of Directors Recommends a Vote For This Proposal**

The proxy, unless otherwise directed thereon, will be voted for a resolution ratifying action of the Audit Committee, reappointing the firm of PricewaterhouseCoopers LLP ( PwC ) Certified Public Accountants, as independent registered public accounting firm to perform an audit of the financial statements and the effectiveness of internal control over financial reporting of the Company for fiscal 2009. The names of the directors serving on the Audit Committee are indicated on page 9, under the heading Board Committees. The vote required for ratification is a majority of shares voting. If the resolution is rejected, or if PwC declines to act or becomes incapable of acting, or if their employment is discontinued, the Audit Committee will appoint other auditors whose continued employment after the 2009 Annual Meeting of the Shareowners will be subject to ratification by the shareowners.

Representatives of PwC will be at the 2008 Annual Meeting to make a statement if they desire to do so and to answer questions.

For fiscal 2008, PwC also examined the separate financial statements of certain of the Company's foreign subsidiaries and provided other audit and non audit services to the Company in connection with SEC filings, review of quarterly financial statements, divestiture audits, and other agreed-upon procedures reports.

### Item 3

#### **Approval of an Amendment to the 2005 Long-Term Incentive Plan to Increase the Number of Authorized Shares**

#### **Your Board of Directors Recommends a Vote For This Proposal**

The Company currently has a 2003 Long-Term Incentive Plan ( 2003 Long-Term Plan ) and a 2005 Long-Term Incentive Plan ( 2005 Long-Term Plan ) that provide the shares needed for the Company's LTI Program. The 2005 Long-Term Plan was approved by shareowners at the 2005 Annual Meeting and authorized the issuance of 6 million shares to satisfy awards of stock options, stock appreciation rights ( SARs ), restricted stock (including performance-restricted stock), unrestricted stock, and performance units (including performance-restricted stock units and restricted stock units) granted under the plan. After the October 2008 grants to employees, there will be no further shares available for grant under the 2005 Long-Term Plan and approximately 2.9 million shares available to be granted as restricted stock under the 2003 Long-Term Plan.

Given the rate at which the Company has issued restricted stock under the LTI Program, unless there is an increase in the number of authorized shares under the 2005 Long-Term Plan, there may be insufficient shares available for any annual grants to employees in October 2009. The LTI Program approved by the Compensation and Organization Committee of the Board of Directors ( Committee ) in June 2008 contemplates that employees will be eligible for equity compensation grants in October 2009. Therefore, on September 25, 2008, the Board of Directors approved an amendment to the 2005 Long-Term Plan to increase the number of authorized shares to 10.5 million, subject to shareowner approval. The increase will enable the Company to continue making its regular equity compensation grants that serve as incentives to recruit and retain key employees and non-employee directors and to continue aligning the interests of its employees and non-employee directors with shareowners. It also has the consequence of potential additional equity dilution.

As of September 23, 2008 (the record date for the Annual Meeting), under the LTI Program (the 2003 Long-Term Plan and the 2005 Long-Term Plan) 5,815,851 restricted shares and restricted stock units were outstanding and 19,369,276 stock options were outstanding at a weighted average exercise price of \$27.45 and with a weighted average remaining life of 4.1 years. Also as of September 23, 2008, there were 16,896,483 shares available under the 2003 Long-Term Plan that could be issued as options or 4,224,120 shares that could be issued as restricted stock. There were 934,261 shares available under the 2005 Long-Term Plan. On September 23, 2008, the closing price of Campbell stock on the New York Stock Exchange was \$37.86.

The amended 2005 Long-Term Plan has substantially the same features as the current 2005 Long-Term Plan, except for an increase in the number of authorized shares to 10.5 million and various administrative and delegation-related amendments approved by the Board of Directors that do not require shareowner approval according to the 2005 Long-Term Plan and the rules of the New York Stock Exchange. A summary of the material features of the 2005 Long-Term Plan appears below and is qualified in its entirety by reference to the full text of the 2005 Long-Term Plan as set forth in Appendix B and should be referred to for a complete description of its provisions. The vote required for approval is a majority of shares voting.

#### **Principal Features of the 2005 Long-Term Plan, As Amended**

##### **I Effective Date and Expiration**

The 2005 Long-Term Plan became effective on November 18, 2005, and terminates on November 18, 2015. No award may be made under the 2005 Long-Term Plan after its expiration date, but awards made prior thereto may extend beyond that date.

**I Administration**

The 2005 Long-Term Plan is administered by the Committee. The Committee has full authority to interpret the 2005 Long-Term Plan and to establish rules for its administration. The Committee may, subject to

certain limitations, in its discretion, accelerate the date on which an option or SAR may be exercised, the date of termination of restrictions applicable to a restricted stock award, or the end of a performance period under a performance unit award, if the Committee determines that to do so would be in the best interests of the Company and the participants in the 2005 Long-Term Plan.

Subject to certain limitations, the Committee may delegate its authority under the plan to one or more members of the Committee or one or more officers of the Company. The Committee may delegate its authority to make awards to those key employees who are subject to the reporting rules under Section 16(a) of the Exchange Act, or whose compensation may be subject to the limit on deductible compensation pursuant to Section 162(m) of the Internal Revenue Code, provided the delegation names at least two independent directors.

### **I Eligibility for Awards**

Awards can be made to any key salaried employee who is a management salaried employee. The current eligible group consists of approximately 1,200 persons. Non-employee directors are also eligible to receive awards other than incentive stock options.

### **I Determination of Amount and Form of Award**

The amount of individual awards to employees will be determined by the Committee or its delegate, subject to the limitations of the 2005 Long-Term Plan. In determining the amount and form of an award, consideration will be given to the functions and responsibilities of the employee, his or her potential contributions to the success of the Company, and other factors deemed relevant by the Committee.

### **I Shares Subject to the Plan; Other Limitations on Awards**

Subject to certain adjustments, the number of shares of Campbell stock that may be issued pursuant to awards under the 2005 Long-Term Plan currently is 6 million shares, and after the amendment is 10.5 million shares, and no more than 10.5 million shares may be granted in the form of Incentive Stock Options.

Shares subject to awards under the 2005 Long-Term Plan will again be available for future awards upon the occurrence of specified events that result in fewer than the total number of shares subject to the award being delivered to the participants. In particular, the limit shall be increased by shares of Campbell stock that are (i) tendered in payment of the exercise price of the awards; (ii) subject to an award which is cancelled (excluding shares subject to an option cancelled upon the exercise of a related SAR) or terminated without having been exercised or paid; (iii) withheld from any award to satisfy a participant's tax withholding obligations or, if applicable, to pay the exercise price of an award. In addition, shares re-acquired by the Company on the open market using the cash proceeds received by the Company from the exercise of options granted under the Plan will be available for awards under the Plan, but the share limit will not be increased with respect to any option by the number of shares of Campbell stock greater than (A) the amount of such cash proceeds, divided by (B) the fair market value on the date of exercise. In addition, if a SAR is settled in whole or in part with shares of Campbell stock, the limit will also be increased by the excess, if any, of the number of shares subject to the SAR over the number of shares actually delivered to the participant upon exercise of the SAR.

A maximum of five million options may be issued in one year to any one participant. A maximum of \$5 million for each year in a performance period or restricted period may be awarded in the form of restricted stock or performance units to any one participant. If a participant is granted awards having an aggregate dollar value payable and/or number of shares issuable under the plan that is less than the maximum value and/or number stated in the foregoing sentence, the excess of the maximum value and/or number over the amount actually paid or number of shares actually issued

will be carried forward to (and will be added to the maximum amount payable or number of shares issuable under) the next subsequent performance period.

The 2005 Long-Term Plan requires that the awards continue to be satisfied using only treasury shares. Such a requirement results in the need to maintain a sufficient number of treasury shares to provide for

outstanding options and restricted stock grants. The use of treasury shares for options and restricted shares helps to maintain the stability of proportionate ownership interests in the Company and prevents dilution of existing shareowners' interests. The use of the treasury shares exclusively eliminates the ability of the Company to use authorized but unissued shares, a less costly vehicle for issuing shares, to satisfy options and stock appreciation rights and to grant restricted stock. Since 1984, the Company has not used authorized but unissued shares to satisfy options or to grant restricted shares.

### **I Stock Options and Stock Appreciation Rights ( SAR )**

The Committee may grant non-qualified options and options qualifying as incentive stock options under Section 422 of the Internal Revenue Code. The Committee generally determines the terms and conditions of all options granted, subject to the terms of the 2005 Long-Term Plan. Options vest in accordance with a vesting schedule determined by the Committee, and the Committee may impose additional conditions, restrictions or terms on the vesting of any option, including the full or partial attainment of performance goals. The term of an option cannot exceed ten years from the date of grant. The option price must be not less than the fair market value of a share of Campbell stock on the date of grant.

Stock options may not be repriced. This means that the Committee may not take any of the following actions:

- 1 amend a stock option to reduce its exercise price;
- 1 cancel a stock option and regrant a new stock option with a lower exercise price than the original exercise price of the cancelled stock option; or
- 1 take any other action (whether in the form of an amendment, cancellation or replacement grant) that has the effect of repricing.

The option price may be paid in cash, with shares of Campbell stock, through a broker-assisted cashless exercise procedure, or with such other acceptable form of valid consideration and method of payment as may be determined by the Committee.

The Committee may also grant a SAR in connection with a stock option granted under the Plan or a SAR unrelated to any option. If a participant exercises a SAR, the participant would receive an amount equal to the excess of the fair market value of the shares on the date the SAR is exercised over the option price of the shares, or, with respect to a SAR granted unrelated to an option, over the fair market value of a share of Campbell stock on the date the SAR was awarded. Payment would be in cash, in shares or a combination of the two as the Committee determines. Since fiscal 2006 no options or SARs have been granted to executives.

### **I Restricted Stock and Restricted Stock Unit Awards**

The Committee may also issue or transfer shares of Campbell stock to a participant under a restricted stock or restricted stock unit award. Restricted stock and restricted stock unit awards are subject to certain conditions and restrictions during a specific period of time, such as the participant remaining in the employment of the Company and/or the attainment by the Company of certain pre-established performance goals, as discussed below. The shares cannot be transferred by the participant prior to the lapse of the restriction period or the attainment of the performance goals. The participant is, however, entitled to vote the shares and in most cases is entitled to receive the dividends currently. The Committee may, in its discretion, establish rules pertaining to the restricted stock or restricted stock unit in the event of a termination of employment of a participant prior to the end of the restricted period, provided that in the event of a termination for cause any non-vested restricted stock or restricted stock unit awards will be forfeited.

immediately.

**I Unrestricted Stock Awards**

The Committee may also issue or transfer shares of Campbell stock to a participant under an outright grant of unrestricted Campbell stock that is transferable immediately by the participant.

## **I Performance Unit Awards**

The Committee may grant to key employees performance unit awards payable in cash or stock at the end of a specified performance period. Payment will be contingent upon achieving pre-established performance goals (as discussed below) by the end of the performance period. The Committee will determine the length of the performance period, the maximum payment value of an award, and the minimum performance goals required before payment will be made. Participants may be entitled to dividend equivalent payments on performance-restricted stock units and restricted stock units. Subject to Committee discretion, a performance unit award will terminate for all purposes if the participant is not continuously employed by the Company at all times during the applicable performance period.

## **I Performance Goals**

The 2005 Long-Term Plan contains provisions intended to enable compensation paid to those executive officers whose compensation is subject to the deduction limitations of Section 162(m) of the Internal Revenue Code to qualify as performance-based compensation that will be fully deductible by the Company. Prior to or during the beginning of a performance period, the Committee may establish performance goals for the Company and its various operating units. The goals will be comprised of specified levels of one or more of the following performance criteria as the Committee may deem appropriate: earnings per share, net earnings, operating earnings, unit volume, net sales, market share, balance sheet measurements, revenue, economic profit, cash flow, cash return on assets, shareowner return, return on equity, return on capital or other value-based performance measures. In addition, for any awards not intended to meet the requirements of Section 162(m) of the Internal Revenue Code, the Committee may establish goals based on other performance criteria as it deems appropriate. The Committee will disregard or offset the effect of certain extraordinary items, such as restructuring charges, gains or losses on the disposition of a business, changes in tax or accounting rules or the effects of a merger or acquisition, in determining the attainment of performance goals. Awards may also be payable when Company performance, as measured by one or more of the above criteria, as compared to peer companies meets or exceeds an objective criterion established by the Committee. Performance units and performance-restricted stock will be earned solely on the partial or full attainment of these performance goals.

## **I Director Compensation**

The 2005 Long-Term Plan gives the Board the discretion to set the number of options and shares of Campbell stock and such other terms and conditions to which awards to non-employee directors are subject, consistent with the provisions of the plan. The non-employee directors may elect to receive all or a portion (in 10% increments) of any cash compensation in shares of Campbell stock.

## **I Deferral of Payments**

A participant may elect to defer all or a portion of any restricted or unrestricted stock pursuant to the terms of the Company's deferred compensation plan, provided the terms of the deferral comply with all applicable laws, rules and regulations.

## **I Adjustments on Capitalization**

In case any reorganization, recapitalization, reclassification, stock split, reverse stock split, stock dividend, extraordinary one-time dividend or other distribution, combination, merger, consolidation, spin-off, split-up, rights offering, repurchase or exchange of shares or other securities, issuance of shares pursuant to the anti-dilution provisions of the shares, or other similar corporate transaction or event affects the shares such that an adjustment is appropriate to prevent dilution or enlargement of the benefits intended to be made available under the 2005 Long-Term Plan, then the Committee may make appropriate adjustments in the maximum aggregate number and kind

of shares issuable under the Plan, and to any one participant, and the number and kind of shares and the price per share subject to outstanding awards.

## I Change in Control

For purposes of the 2005 Long-Term Plan, change in control shall mean any of the following events:

- (i) the acquisition of 25% or more of the outstanding voting stock of the Company by any person or entity, with certain exceptions for Dorrance family members and the Company's employee benefit plans;
- (ii) the persons serving as directors of the Company as of November 18, 2005, and those replacements or additions subsequently approved by a two-thirds vote of the Board, cease to make up more than 50% of the Board;
- (iii) a merger, consolidation or share exchange in which the shareowners of the Company prior to the merger wind up owning 50% or less of the surviving corporation; or
- (iv) a complete liquidation or dissolution of the Company or disposition of all or substantially all of the assets of the Company.

For any award that is subject to Section 409A of the Internal Revenue Code and payment or settlement of the award is to accelerate upon a change in control, none of the events described in the foregoing definitions will constitute a change in control for purposes of the plan unless the event also constitutes a change in control triggering event described under Section 409A of the Internal Revenue Code.

Upon a change in control, the following vesting provisions will apply:

1. If the Company is not the surviving corporation and the surviving or acquiring corporation does not assume the outstanding options, SARs, time-lapse restricted stock, performance-restricted stock and performance units (collectively Awards), or fails to substitute equivalent awards, then all outstanding stock options, SARs and time-lapse restricted stock will vest 100% and performance-restricted stock and performance units will vest as follows: the greater of (i) 50% or (ii) a pro rata portion based on the time elapsed to the change in control.
2. If the Company is the surviving corporation or the surviving or acquiring corporation assumes the outstanding Awards or substitutes equivalent awards, then they will remain outstanding and vest pursuant to the provisions of the 2005 Long-Term Plan.
3. If, within 24 months following a change in control, the employment of a participant is terminated without Cause (as defined below) or by the participant for Good Reason (as defined below), and the Company is the surviving corporation or the surviving or acquiring corporation assumes the outstanding Awards or substitutes equivalent awards, then all outstanding stock options, SARs and time-lapse restricted stock will vest 100% and restricted performance stock and performance units will vest as follows: the greater of (i) 50% or (ii) a pro rata portion based on the time elapsed to the termination of employment.
4. If, within 24 months following a change in control, the employment of a participant is terminated for Cause and the Company is the surviving corporation or the surviving or acquiring corporation assumes the outstanding Awards or substitutes equivalent awards, then all stock options and SARs will expire and all unvested restricted stock and performance units will be forfeited, and all rights under such Awards will terminate.

Good Reason is defined generally as (1) a reduction in the participant's base salary or a failure to pay compensation or benefits when due, (2) requiring the participant to be based more than 50 miles from his workplace prior to a change in control, (3) failure to continue compensation or employee benefit plans that, in the aggregate, are substantially equivalent to those provided prior to the change in control, (4) any purported termination of the participant for Cause which does not comply with the definition of Cause set forth in the 2005 Long-Term Plan, and (5) the Company's failure to obtain an agreement from any successor to assume the 2005 Long-Term Plan.

Cause, for purposes of the change in control provision only, is defined generally as termination of a Participant's employment by reason of his or her (1) conviction of a felony or (2) engaging in conduct which

constitutes willful gross misconduct and which is demonstrably and materially injurious to the Company or its affiliates.

### **I Amendment**

The Board of Directors can amend, suspend or terminate the 2005 Long-Term Plan, but cannot, without shareowners approval, do any of the following:

- 1 Increase the number of shares of Campbell stock which may be issued under the 2005 Long-Term Plan (except in the case of recapitalization, stock split, or other changes in the corporate capital structure in which event the Committee may make appropriate adjustments);
- 1 Expand the type of awards available to participants;
- 1 Materially expand the class of employees eligible to participate in the Plan;
- 1 Materially change the method of determining the exercising price of options;
- 1 Delete or limit the provision prohibiting repricing of options; or
- 1 Extend the term of the Plan.

The Committee may amend or modify any outstanding awards in any manner to the extent that the Committee would have had the authority under the Plan initially to make such awards as so modified or amended.

Notwithstanding the provisions described in foregoing paragraphs, the Board has broad authority to amend the plan and any outstanding awards without the consent of a participant if the Board deems it necessary or advisable to comply with, or take into account changes in applicable laws or rules or to ensure that no award is subject to interest or penalties under Section 409A of the Internal Revenue Code.

### **I Federal Income Tax Consequences**

The grant of an incentive stock option, a nonqualified stock option or a SAR, does not result in income for the grantee or in a deduction for the Company. The exercise of a nonqualified stock option or a SAR does result in ordinary income for the optionee and a deduction for the Company measured by the difference between the option price and the fair market value of the shares received at the time of exercise. Income tax withholding is required.

Neither the grant nor the exercise of an incentive stock option results in taxable income for the grantee. The excess of the market value on the exercise date over the option price of the shares, however, is an item of adjustment for alternative minimum tax purposes. When a grantee disposes of shares acquired by exercise of an incentive stock option, the grantee's gain (the difference between the sales proceeds and the price paid by the grantee for the shares) upon the disposition will be taxed as long-term capital gain provided the grantee (i) does not dispose of the shares within two years after the date of grant nor within one year after the transfer of shares upon exercise, and (ii) exercises the option while an employee of the Company or a subsidiary or within three months after termination of employment for reasons other than death or disability. If the shares are disposed of before the expiration of either period, the grantee generally will realize ordinary income in the year of the disqualifying disposition.

Subject to Section 162(m) of the Internal Revenue Code and the Company's satisfaction of applicable reporting requirements, at the time income is recognized by the recipients of an award of restricted stock or RSUs, the Company

will be entitled to a corresponding deduction. Under Section 162(m), the deduction is available if, among other reasons, the compensation constitutes qualified performance-based compensation.

**I New Plan Benefits**

If the amendment is adopted, there will be additional shares available under the 2005 Long-Term Plan for awards to employees and non-employee directors; however, the benefits to be received by participants cannot be determined at this time because grants are at the discretion of the Committee. None of the additional shares authorized by the amendment have been awarded to any of the directors or employees, and none of the shares have been awarded (or promised to be awarded) subject to approval of the amendment to the 2005 Long-Term Plan. The Committee has authority to authorize future awards under the 2005 Long-Term Plan from time to time. Awards under the 2005 Long-Term Plan to the named executive officers, non-employee directors and others during fiscal 2008 were as follows:

**2005 Long-Term Plan**

<b>Name and Position</b>	<b>Number of Shares</b>
Douglas R. Conant President and Chief Executive Officer	175,122
Robert A. Schiffner Senior Vice President and Chief Financial Officer	101,292
Ellen O. Kaden Senior Vice President-Law and Government Affairs	47,822
Larry S. McWilliams Senior Vice President of Campbell Soup Company and President of Campbell International	52,484
Denise M. Morrison Senior Vice President of Campbell Soup Company and President, North America Soup, Sauces and Beverages	46,935
Executive Officers Group	623,305
Non-Executive Director Group	43,419
Non-Executive Officer Employee Group	2,258,345

## Item 4

### Approval of Performance Goals for the 2003 Long-Term Incentive Plan

#### Your Board of Directors Recommends a Vote For This Proposal

The 2003 Long-Term Plan was approved by shareowners at the 2003 Annual Meeting and authorized the issuance of 28 million shares to satisfy awards of stock options, SARs, restricted stock (including performance-restricted stock), unrestricted stock, and performance units (including performance-restricted stock units and restricted stock units) granted under the 2003 Long-Term Plan. The 2003 Long-Term Plan also authorized the Company to issue any shares remaining available under the 1994 Long-Term Incentive Plan (the 1994 Long-Term Plan ) on November 21, 2003 out of the 2003 Long-Term Plan. On that date there were approximately 3.2 million shares available under the 1994 Long-Term Plan. Since the plan became effective, approximately 15 million stock options or restricted stock have been granted to participants under the 2003 Long-Term Plan. As of September 23, 2008 (the record date for the Annual Meeting), under the LTI Program (the 2003 Long-Term Plan and the 2005 Long-Term Plan) 5,815,851 restricted shares and restricted stock units were outstanding and 19,369,276 stock options were outstanding at a weighted average exercise price of \$27.45 and with a weighted average remaining life of 4.1 years. Also as of September 23, 2008, there were 16,896,483 shares available under the 2003 Long-Term Plan that could be issued as options or 4,224,120 shares that could be issued as restricted stock. There were 934,261 shares available under the 2005 Long-Term Plan. On September 23, 2008, the closing price of Campbell stock on the New York Stock Exchange was \$37.86.

To meet the deductibility requirements of Section 162(m) of the Internal Revenue Code, the performance criteria under the 2003 Long-Term Plan must be submitted to the shareowners for approval at least once every five years, and they were last approved at the 2003 Annual Meeting. In accordance with Section 162(m), the Board of Directors is requesting shareowners to approve at the 2008 Meeting the existing performance criteria that the Committee may use in connection with the grant of awards under the 2003 Long-Term Plan. By obtaining such approval, any shares delivered pursuant to awards tied to objective, quantitative targets under the 2003 Long-Term Plan will be eligible to be treated as qualified performance-based compensation and therefore deductible by the Company for federal income tax purposes. If the proposal is not approved, the 2003 Long-Term Plan will otherwise remain in effect, but, beginning shortly after the 2008 Annual Meeting, the Company may not be able to treat as a deductible expense for federal income tax purposes grants of awards under the 2003 Long-Term Plan to certain of the Company's officers, notwithstanding that they may be subject to the satisfaction of quantitative performance standards or to the individual award limit described below.

As stated on page 49, the 2005 Long-Term Plan along with the 2003 Long-Term Plan provide the shares for the Company's LTI Program. During the development of the 2005 Long-Term Plan that shareowners approved at the 2005 Annual Meeting, the Board considered the extent to which developments in the Company's business and its organization required the inclusion of additional or refinement of the kinds of performance goals that had been expressed in the LTI Program. Therefore, the Board approved, and shareowners approved at the 2005 Annual Meeting, that performance goals under the 2005 Long-Term Plan also may include objectives that are related to the individual participant or objectives that are Company-wide or related to a subsidiary, division, department, region, function or business unit. On September 25, 2008, the Board amended the 2003 Long-Term Plan to include reference to these additional statements regarding the extent of performance goals and also is seeking shareowner approval of them for Section 162(m) purposes.

Amended Section 4.5 of the 2003 Long-Term Plan concerns the plan's performance goals and states:

§ 4.5 **General Performance Goals.** Prior to or during the beginning of a Performance Period (but in any event no later than 90 days into a Performance Period) the Committee will establish in writing one or more Performance Goals for the Company. The Performance Goals will be comprised of specified levels of one or more of the following performance criteria as the Committee may deem appropriate: earnings per share, net earnings, operating earnings, unit volume, net sales, market share, balance sheet measurements, revenue, economic profit, cash flow, cash return on assets, shareowner return, return on equity, or return on capital. In addition, for any Awards not intended to meet the requirements of Section 162(m) of the Code, the

Committee may establish Performance Goals based on other performance criteria as it deems appropriate. The Performance Goals may be described in terms of objectives that are related to the individual Participant or objectives that are Company-wide or related to a Subsidiary, division, department, region, function or business unit and may be measured on an absolute or cumulative basis or on the basis of percentage of improvement over time, and may be measured in terms of Company performance (or performance of the applicable Subsidiary, division, department, region, function or business unit) or measured relative to selected peer companies or a market index.

For any awards not intended to meet the requirements of Section 162(m), the Committee may establish goals based on other performance criteria as it deems appropriate. The Committee may disregard or offset the effect of any special charges or gains or cumulative effect of a change in accounting in determining the attainment of performance goals. Awards may also be payable when Company performance, as measured by one or more of the above criteria, as compared to peer companies meets or exceeds an objective criterion established by the Committee. Performance units and performance-restricted stock will be earned solely on the partial or full attainment of these performance goals.

A summary of the remaining material features of the 2003 Long-Term Plan appears below. The vote required for approval is a majority of shares voting.

### **Principal Features of the 2003 Long-Term Plan**

#### **Effective Date and Expiration**

The 2003 Long-Term Plan became effective on November 21, 2003 and terminates on November 21, 2013. No award may be made under the 2003 Long-Term Plan after its expiration date, but awards made prior thereto may extend beyond that date.

#### **Administration**

The 2003 Long-Term Plan is administered by the Committee. The Committee has full authority to interpret the 2003 Long-Term Plan and to establish rules for its administration. The Committee may, subject to certain limitations, in its discretion, accelerate the date on which an option or SAR may be exercised, the date of termination of restrictions applicable to a restricted stock award, or the end of a performance period under a performance unit award, if the Committee determines that to do so would be in the best interests of the Company and the participants in the 2003 Long-Term Plan.

Subject to certain limitations, the Committee may delegate its authority under the plan to one or more members of the Committee or one or more officers of the Company. The Committee may delegate its authority to make awards to those key employees who are subject to the reporting rules under Section 16(a) of the Exchange Act, or whose compensation may be subject to the limit on deductible compensation pursuant to Section 162(m) of the Internal Revenue Code, provided the delegation names at least two independent directors.

#### **Eligibility for Awards**

Awards can be made to any key employee who is a management salaried employee. The current eligible group consists of approximately 1,200 persons. Non-employee directors are also eligible to receive awards other than incentive stock options.

#### **Determination of Amount and Form of Award**

The amount of individual awards to key employees will be determined by the Committee or its delegate, subject to the limitations of the 2003 Long-Term Plan. In determining the amount and form of an award, consideration will be given to the functions and responsibilities of the key employee, his or her potential contributions to the success of the Company, and other factors deemed relevant by the Committee.

**Shares Subject to the Plan; Other Limitations on Awards**

Subject to certain adjustments, the number of shares of Campbell stock that may be issued pursuant to awards under the 2003 Long-Term Plan shall be 28 million shares plus any unused shares that remained

available for issuance under the Company's 1994 Long-Term Incentive Plan as of the date the 2003 Long-Term Plan was approved by the shareowners of the Company, which was 3,208,973 shares. Any shares of Campbell stock subject to awards outstanding under the 1994 Long-Term Incentive Plan which lapse, expire or terminate without the issuance of Campbell stock also are available for awards under the 2003 Long-Term Plan.

For purposes of calculating available shares of Campbell stock under the 2003 Long-Term Plan, any shares of Campbell stock that are subject to options and SARs are counted against the limit as one share for every one share subject to the option or SAR. Shares subject to performance unit awards and restricted and unrestricted stock are counted against the limit as four shares for every one share subject to the award.

The limit shall be increased by shares of Campbell stock that are subject to an award which is cancelled (excluding shares subject to an option cancelled upon the exercise of a related SAR) or terminated without having been exercised or paid.

The Company's ability to replenish shares available under the 2003 Long-Term Plan was expressly limited by a recent amendment. The Committee recommended, and the Board approved on September 25, 2008, an amendment to the 2003 Long-Term Plan for the purpose of removing any ability of the Company to add back to the 2003 Long-Term Plan shares that were: 1) not issued or delivered as a result of net settlement of an option or SAR; 2) tendered in payment of the exercise price of SARs or options or withheld to satisfy a participant's tax withholding obligations; or 3) re-acquired by the Company on the open market using the cash proceeds from the exercise of options. Section 4.3(d) of the amended 2003 Long-Term Plan prohibits the Company from adding-back these shares and is reproduced in its entirety below:

Section 4.3(d) The following shares of Campbell Stock may not again be made available for issuance as Awards under the Plan: (i) shares not issued or delivered as a result of the net settlement of an outstanding SAR or Option, (ii) shares used to pay the exercise price or withholding taxes related to an Award, or (iii) shares repurchased on the open market with the proceeds of the Option exercise price.

A maximum of five million options may be issued in one year to any one participant. A maximum of \$5 million for each year in a performance period or restricted period may be awarded in the form of restricted stock or performance units to any one participant.

### **Stock Options and SARs**

The Committee may grant non-qualified options and options qualifying as incentive stock options under Section 422 of the Internal Revenue Code. The Committee generally determines the terms and conditions of all options granted, subject to the terms of the 2003 Long-Term Plan. Options vest in accordance with a vesting schedule determined by the Committee, and the Committee may impose additional conditions, restrictions or terms on the vesting of any option, including the full or partial attainment of performance goals. The term of an option cannot exceed ten years from the date of grant. The option price must be not less than the fair market value of a share of Campbell stock on the date of grant.

Stock options may not be repriced. This means that the Committee may not take any of the following actions:

amend a stock option to reduce its exercise price;

cancel a stock option and regrant a new stock option with a lower exercise price than the original exercise price of the cancelled stock option; or

take any other action (whether in the form of an amendment, cancellation or replacement grant) that has the effect of repricing.

The Committee may also grant a SAR in connection with a stock option granted under the Plan or a SAR unrelated to any option. If a participant exercises a SAR, the participant would receive an amount equal to the excess of the fair market value of the shares on the date the SAR is exercised over the option price of the

shares, or, with respect to a SAR granted unrelated to an option, over the fair market value of a share of Campbell stock on the date the SAR was awarded. Payment would be in cash, in shares or a combination of the two as the Committee determines. Since fiscal 2006 no options or SARs have been granted to executives.

### **Restricted Stock and Restricted Stock Unit Awards**

The Committee may also issue or transfer shares of Campbell stock to a participant under a restricted stock or restricted stock unit award. Awards are subject to certain conditions and restrictions during a specific period of time, such as the participant remaining in the employment of the Company and/or the attainment by the Company of certain pre-established performance goals, as discussed above. The shares cannot be transferred by the participant prior to the lapse of the restriction period or the attainment of the performance goals. The participant is, however, entitled to vote the shares and in most cases is entitled to receive the dividends currently. The Committee may, in its discretion, establish rules pertaining to the restricted stock or restricted stock unit in the event of a termination of employment of a participant prior to the end of the restricted period, provided that in the event of a termination for cause any non-vested restricted stock or restricted stock unit awards will be forfeited immediately.

### **Unrestricted Stock Awards**

The Committee may also issue or transfer shares of Campbell stock to a participant under an outright grant of unrestricted Campbell stock that could be transferred immediately.

### **Performance Unit Awards**

The Committee may grant performance unit awards payable in cash or stock at the end of a specified performance period. Payment will be contingent upon achieving pre-established performance goals (as discussed above) by the end of the performance period. The Committee will determine the length of the performance period, the maximum payment value of an award, and the minimum performance goals required before payment will be made. The Committee may provide that dividend equivalent payments will be made on performance units payable in stock. Subject to Committee discretion, a performance unit award will terminate for all purposes if the participant is not continuously employed by the Company at all times during the applicable performance period.

### **Director Compensation**

The 2003 Long-Term Plan gives the Board the discretion to set the number of options and shares of Campbell stock that are awarded to non-employee Directors each year. The non-employee Directors may elect to receive all or a portion (in 10% increments) of any cash compensation in shares of Campbell Stock.

### **Deferral of Payments**

A participant may elect to defer all or a portion of any restricted or unrestricted stock or gain on any exercised option or SAR pursuant to the terms of the Company's deferred compensation plan, provided the terms of the deferral comply with all applicable laws, rules and regulations.

### **Adjustments on Capitalization**

In case any reorganization, recapitalization, reclassification, stock split, reverse stock split, stock dividend, extraordinary one-time dividend or other distribution, combination, merger, consolidation, spin-off, split-up, rights offering, repurchase or exchange of shares or other securities, issuance of shares pursuant to the anti-dilution provisions of the shares, or other similar corporate transaction or event affects the shares such that an adjustment is

appropriate to prevent dilution or enlargement of the benefits intended to be made available under the 2005 Long-Term Plan, then the Committee may make appropriate adjustments in the aggregate number and kind of shares subject to the Plan, and the number and kind of shares and the price per share subject to outstanding awards.

### **Change in Control**

For purposes of the 2003 Long-Term Plan, Change in Control shall mean any of the following events:

- (i) the acquisition of 25% or more of the outstanding voting stock of the Company by any person or entity, with certain exceptions for Dorrance family members and the Company's employee benefit plans;
- (ii) the persons serving as directors of the Company as of November 21, 2003, and those replacements or additions subsequently approved by a two-thirds vote of the Board, cease to make up more than 50% of the Board;
- (iii) a merger, consolidation or share exchange in which the shareowners of the Company prior to the merger wind up owning 50% or less of the surviving corporation; or
- (iv) a complete liquidation or dissolution of the Company or disposition of all or substantially all of the assets of the Company.

For an award that is subject to Section 409A of the Internal Revenue Code and payment or settlement of the award is to accelerate upon a change in control, none of the events described in the foregoing definitions will constitute a change in control for purposes of the plan unless the event also constitutes a change in control triggering event described under Section 409A of the Internal Revenue Code.

Upon a Change in Control, the following vesting provisions will apply:

1. If the Company is not the surviving corporation and the surviving or acquiring corporation does not assume the outstanding options, SARs, time-lapse restricted stock, restricted performance stock and performance units (collectively Awards), or fails to substitute equivalent awards, then all outstanding stock options, SARs and time-lapse restricted stock will vest 100% and performance-restricted stock and performance units will vest as follows: the greater of (i) 50% or (ii) a pro rata portion based on the time elapsed to the change in control.
2. If the Company is the surviving corporation or the surviving or acquiring corporation assumes the outstanding Awards or substitutes equivalent awards, then they will remain outstanding and vest pursuant to the provisions of the 2003 Long-Term Plan.
3. If, within 24 months following a Change in Control, the employment of a participant is terminated without Cause (as defined below) or by the participant for Good Reason (as defined below), and the Company is the surviving corporation or the surviving or acquiring corporation assumes the outstanding Awards or substitutes equivalent awards, then all outstanding stock options, SARs and time-lapse restricted stock will vest 100% and performance-restricted stock and performance units will vest as follows: the greater of (i) 50% or (ii) a pro rata portion based on the time elapsed to the termination of employment.
4. If, within 24 months following a Change in Control, the employment of a participant is terminated for Cause and the Company is the surviving corporation or the surviving or acquiring corporation assumes the outstanding Awards or substitutes equivalent awards, then all stock options and SARs will expire and all unvested restricted stock and performance units will be forfeited, and all rights under such Awards will terminate.

Good Reason is defined generally as (1) a reduction in the participant's base salary or a failure to pay compensation or benefits when due, (2) requiring the participant to be based more than 50 miles from his workplace prior to a change in control, (3) failure to continue compensation or employee benefit plans that, in the aggregate, are substantially equivalent to those provided prior to the change in control, (4) any purported termination of the participant for Cause which does not comply with the definition of Cause set forth in the 2003 Long-Term Plan and (5) the Company's failure to obtain an agreement from any successor to assume the 2003 Long-Term Plan.

Cause, for purposes of the Change in Control provision only, is defined as termination of a Participant's employment within 24 months following a Change in Control by reason of his or her (1) conviction of a felony or (2) engaging in conduct, which constitutes willful gross misconduct, which is demonstrably and materially injurious to the Company.

### **Amendment**

The Board of Directors can amend, suspend or terminate the 2003 Long-Term Plan, but cannot, without the shareowners' approval, do any of the following:

Increase the number of shares of Campbell stock which may be issued under the 2003 Long-Term Plan (except in the case of recapitalization, stock split, or other changes in the corporate capital structure in which event the Committee may make appropriate adjustments);

Expand the type of awards available to participants;

Materially expand the class of employees eligible to participate in the Plan;

Materially change the method of determining the exercising price of options;

Delete or limit the provision prohibiting repricing of options; or

Extend the term of the Plan.

The Committee may amend or modify any outstanding awards in any manner to the extent that the Committee would have had the authority under the Plan initially to make such awards as so modified or amended.

Notwithstanding the provisions described in the foregoing paragraphs, the Board has broad authority to amend the plan and any outstanding awards without the consent of a participant if the Board deems it necessary or advisable to comply with, or take into account changes in applicable laws or rules to ensure that no award is subject to interest or penalties under Section 409A of the Internal Revenue Code.

### **Federal Income Tax Consequences**

The grant of an incentive stock option, a nonqualified stock option or a SAR does not result in income for the grantee or in a deduction for the Company. The exercise of a nonqualified stock option or a SAR does result in ordinary income for the optionee and a deduction for the Company measured by the difference between the option price and the fair market value of the shares received at the time of exercise. Income tax withholding is required.

Neither the grant nor the exercise of an incentive stock option results in taxable income for the grantee. The excess of the market value on the exercise date over the option price of the shares, however, is an item of adjustment for alternative minimum tax purposes. When a grantee disposes of shares acquired by exercise of an incentive stock option, the grantee's gain (the difference between the sales proceeds and the price paid by the grantee for the shares) upon the disposition will be taxed as long-term capital gain provided the grantee (i) does not dispose of the shares within two years after the date of grant nor within one year after the transfer of shares upon exercise, and (ii) exercises the option while an employee of the Company or a subsidiary or within three months after termination of employment for reasons other than death or disability. If the shares are disposed of before the expiration of either period, the grantee generally will realize ordinary income in the year of the disqualifying disposition.

Subject to Section 162(m) of the Internal Revenue Code and the Company's satisfaction of applicable reporting requirements, at the time income is recognized by the recipients of an award of restricted stock or RSUs, the Company will be entitled to a corresponding deduction. Under Section 162(m), the deduction is available if, among other reasons, the compensation constitutes qualified performance-based compensation.

**New Plan Benefits**

Because the shareowners are merely approving the performance goals of the 2003 Long-Term Plan, there are no new benefits being provided to participants. The Committee will use its discretion in selecting the

participants under the 2003 Long-Term Plan and the particular performance goals applicable to those participants. Since the Committee determines awards under the 2003 Long-Term Plan based upon the achievement of certain performance criteria which are not presently determinable, it is not possible to determine the amounts that will be received by any participant in the 2003 Long-Term Plan at this time. The Committee has authority to authorize future awards under the 2003 Long-Term Plan from time to time.

Awards under the LTI Program to the named executive officers, non-employee directors and others during fiscal 2008 can be found in the table on page 55.

### Securities Authorized for Issuance Under Equity Compensation Plans

The following table provides information about the Company's stock that may be issued under the Company's equity compensation plans as of August 3, 2008:

<b>Plan Category</b>	<b>Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights(a)</b>	<b>Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights(b)</b>	<b>Number of Securities Remaining Available For Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in the First Column)(c)</b>
Equity Compensation Plans Approved by Security Holders(1)	21,400,940	\$27.42	18,048,789
Equity Compensation Plans Not Approved by Security Holders(2)	1,844,504	N/A	N/A
Total	23,245,444	N/A	18,048,789

- (1) Column (a) represents stock options and restricted stock units outstanding under the 2005 Long-Term Plan, the 2003 Long-Term Plan and the 1994 Long-Term Plan. No additional awards can be made under the 1994 Long-Term Plan. Future equity awards under the 2005 Long-Term Plan and the 2003 Long-Term Plan may take the form of stock options, SARs, performance unit awards, restricted stock, restricted performance stock, restricted stock units or stock awards. Column (b) represents the weighted-average exercise price of the outstanding stock options only; the outstanding restricted stock units are not included in this calculation. Column (c) represents the maximum aggregate number of future equity awards that can be made under the 2005 Long-Term Plan and the 2003 Long-Term Plan as of August 3, 2008. The maximum number of future equity awards that can be made under the 2005 Long-Term Plan as of August 3, 2008 is 1,245,272. The maximum number of future equity awards that can be made under the 2003 Long-Term Plan as of August 3, 2008 is 16,803,517 (the 2003 Plan Limit). Each stock option or SAR awarded under the 2003 Long-Term Plan reduces the 2003 Plan Limit by one share. Each restricted stock unit, restricted stock, restricted performance stock unit, restricted performance stock or stock award under the 2003 Long-Term Plan reduces the 2003 Plan Limit by four shares. In the event any award (or portion thereof) under the 1994 Long-Term Plan lapses, expires or is otherwise terminated without the issuance of any Company stock or is settled by delivery of consideration other than Company stock, the maximum number of future equity awards that can be made under the 2003 Long-Term Plan

automatically increases by the number of such shares.

- (2) The Company's Deferred Compensation Plans (the Plans) allow participants the opportunity to invest in various book accounts, including a book account that tracks the performance of the company's stock (the Stock Account). Upon distribution, participants may receive the amounts invested in the Stock Account in the form of shares of Company stock. Column (a) represents the maximum number of shares that could be issued upon a complete distribution of all amounts in the Stock Account. This calculation is based upon the amount of funds in the Stock Account as of August 3, 2008 and a \$35.85 share price, which was the closing price of a share of Company stock on August 1, 2008 (the last business day before August 3, 2008). 1,161,223 of the total number of shares that could be issued upon a complete distribution of the Plans are fully vested, and 683,281 of the shares are subject to restrictions.

## **Deferred Compensation Plans**

The Plans are unfunded and maintained for the purpose of providing the Company's directors and U.S.-based executives and key managers the opportunity to defer a portion of their earned compensation. Participants may defer a portion of their base salaries and all or a portion of their annual incentive compensation, long-term incentive awards, and director retainers and fees. The Plans were not submitted for security holder approval because they do not provide additional compensation to participants. They are vehicles for participants to defer earned compensation.

Each participant's contributions to the Plans are credited to an investment account in the participant's name. Gains and losses in the participant's account are based on the performance of the investment choices the participant has selected. Six investment choices are available, including the Stock Account. In addition to the Stock Account, participants also generally have the opportunity to invest in (i) a book account that tracks the performance of Fidelity's Spartan U.S. Equity Index Fund, (ii) a book account that tracks the performance of Fidelity's Puritan Fund, (iii) a book account that tracks the performance of the Fidelity Spartan Extended Market Index Fund, (iv) a book account that tracks the performance of the Fidelity Spartan International Index Fund, and (v) a book account that credits interest at the Wall Street Journal indexed prime rate (determined on November 1 for the subsequent calendar year).

A participant may reallocate his or her investment account at any time among the six investment choices, except that (i) restricted stock awards must be invested in the Stock Account during the restriction period, (ii) reallocations of the Stock Account must be made in compliance with the company's policies on trading company stock, and (iii) amounts invested prior to January 1, 2005 may not be reallocated to the Fidelity Spartan Extended Market Index Fund or the Fidelity Spartan International Index Fund. Dividends on amounts invested in the Stock Account may be reallocated among the six investment accounts, except that dividends on amounts invested in the Stock Account prior to January 1, 2005 may not be invested in the Fidelity Spartan Extended Market Index Fund or the Fidelity Spartan International Index Fund. The Company credits a participant's account with an amount equal to the matching contribution that the Company would have made to the participant's 401(k) Plan account if the participant had not deferred compensation under the Plan. In addition, for those individuals whose base salary and annual incentive compensation exceed the Internal Revenue Service indexed compensation limit for the 401(k) Plan, the Company credits such individual's account with an amount equal to the contribution the Company would have made to the 401(k) Plan but for the compensation limit. These Company contributions vest in 20% increments over the participant's first five (5) years of credited service; after the participant's first five (5) years of service, the company contributions vest immediately. Except as described above, there is no Company match on deferred compensation.

For terminations and retirements, a participant's account is generally paid out in accordance with the last valid distribution election made by the participant. Subject to certain plan restrictions, the distribution elections include: (i) a lump sum, (ii) 5 annual installments, (iii) 10 annual installments, (iv) 15 annual installments, and (v) 20 annual installments. For distributions upon death, if a participant's beneficiary is his or her spouse, the account is generally paid out in accordance with the last valid death distribution election (or, if there is no death distribution election, the regular distribution election). If a participant's beneficiary is not his or her spouse, then the account is generally paid out in a lump sum. The administrator of the Plans has also established procedures for hardship withdrawals and, for amounts vested prior to January 1, 2005, unplanned withdrawals. In the event of a change in control of the company, the Stock Account is automatically converted into cash based upon a formula provided in the Plans.

## **Submission of Shareowner Proposals**

Under Rule 14a-8(e) of the Securities Exchange Act of 1934, shareowner proposals intended for inclusion in next year's proxy statement must be submitted in writing to the Company to the Corporate Secretary at 1 Campbell Place, Camden, New Jersey 08103-1799, and must be received by June 12, 2009.

Any shareowner proposal submitted for consideration at next year's annual meeting but not submitted for inclusion in the proxy statement that is received by the Company after August 26, 2009, will not be considered filed on a timely basis with the Company under Rule 14a-4(c)(1). For such proposals that are not timely filed, the Company retains discretion to vote proxies it receives. For such proposals that are timely filed,

the Company retains discretion to vote proxies it receives provided 1) the Company includes in its proxy statement advice on the nature of the proposal and how it intends to exercise its voting discretion; and 2) the proponent does not issue a proxy statement.

### **Directors and Executive Officers Stock Ownership Reports**

The federal securities laws require the Company's directors and executive officers, and persons who own more than ten percent of the Company's capital stock, to file with the Securities and Exchange Commission and the New York Stock Exchange initial reports of ownership and reports of changes in ownership of any securities of the Company.

To the Company's knowledge, based solely on review of the copies of such reports furnished to the Company and written representations that no other reports were required, during the fiscal year ended August 3, 2008, all the Company's executive officers, directors and greater-than-ten-percent beneficial owners made all required filings on a timely basis, except for a Form 4 report that was filed late by Patrick Callaghan reporting an election to defer restricted shares, the grant of which had been previously reported on his Form 3 report, and a Form 4 report that was filed late by each of John van Beuren and Hope van Beuren reporting a sale of shares.

### **Other Matters**

The Board of Directors knows of no other matters to be presented for action at the meeting. If other matters come before the meeting, it is the intention of the directors' proxy to vote on such matters in accordance with his or her best judgment.

### **Proxies and Voting at the Meeting**

The proxy materials are being provided for solicitation of proxies by the Board of Directors for the Annual Meeting of Shareowners of Campbell Soup Company called to be held on November 20, 2008. The mailing address of the Company's World Headquarters is 1 Campbell Place, Camden, New Jersey 08103-1799.

Proxies marked as abstaining (including proxies containing broker non-votes) on any matter to be acted upon by shareowners will be treated as present at the meeting for purposes of determining a quorum but will not be counted as votes cast on such matters.

This solicitation of proxies is made on behalf of the Board of Directors of the Company with authorization of the Board, and the Company will bear the cost. Proxy solicitation material will be distributed to shareowners, and employees of the Company may communicate with shareowners to solicit their proxies. Brokers, banks and others holding stock in their names, or in names of nominees, may request and forward proxy solicitation material to beneficial owners and seek authority for execution of proxies, and the Company will reimburse them for their expenses in so doing at the rates approved by the New York Stock Exchange.

When a proxy is returned properly dated and signed, the shares represented thereby, including any shares held under the Company's Dividend Reinvestment Plan, will be voted by the person named as the directors' proxy in accordance with each shareowner's directions. Proxies will also be considered to be confidential voting instructions to the applicable Trustee with respect to shares held in accounts under the Campbell Soup Company Savings Plus Plan for Salaried Employees, the Campbell Soup Company Savings Plus Plan for Hourly-Paid Employees, and the Group RRSP and Savings Plan. If participants in these plans are also shareowners of record under the same account information, they will receive a single proxy that represents all shares. If the account information is different, then the participants will receive separate proxies. Shareowners of record and participants in savings plans may cast their vote by:

- (1) using the toll-free phone number listed on the proxy solicitation/voting instruction card;
- (2) using the Internet and voting at the Web site listed on the proxy card or the e-proxy notice; or
- (3) signing, dating and mailing the proxy card in the enclosed postage paid envelope.

The telephone and Internet voting procedures are designed to authenticate votes cast by use of a personal identification number. The procedure allows shareowners to appoint a proxy and the savings plan

participants to instruct a plan fiduciary to vote their shares and to confirm their instructions have been properly recorded. Specific instructions to be followed are set forth on the proxy solicitation/voting instruction card or the e-proxy notice.

Shareowners are urged to cast their votes. If a proxy card is dated, signed and returned without specifying choices, the shares will be voted as recommended by the directors (or, in the case of participants in the plans referred to above, may be voted at the discretion of the applicable Trustee). Shareowners may vote their shares by telephone or via the Internet to the extent described on the proxy card or the e-proxy notice.

A shareowner giving a proxy may revoke it by notifying the Corporate Secretary in writing any time before it is voted. If a shareowner wishes to give a proxy to someone other than the directors proxy, all three names appearing on the proxy may be crossed out and the name of another person inserted. The signed proxy card must be presented at the meeting by the person representing the shareowner.

Each shareowner who plans to attend the meeting in person is requested to so indicate in the space provided on the proxy card or as directed when voting by telephone or the Internet. The Company will then be able to mail an admission card to the shareowner in advance of the meeting. Shareowners who do not have admission cards will need to register at the door.

#### **Shareowners Sharing the Same Address**

In accordance with notices that we sent to certain shareowners, we are sending only one e-proxy notice or one copy of our annual report and proxy statement to shareowners who share the same last name and address, unless they have notified us that they want to continue receiving multiple copies. This practice, known as householding, is designed to reduce duplicate mailings and printing and postage costs. However, if any shareowner residing at such address wishes to receive a separate annual report, proxy statement, or e-proxy notice in the future, he or she may contact the Company's Corporate Secretary. If you are receiving multiple copies of the annual report and proxy statement or e-proxy notice, you can request householding by contacting the Company's Corporate Secretary. The contact information is set forth below.

#### **Information About Attending the Meeting**

The Annual Meeting of Shareowners will be held this year at the Hilton Stamford Hotel and Executive Meeting Center, One First Stamford Place, Stamford, CT 06902. A map and directions appear at the back of this booklet. Doors to the meeting room will open at 10:30 a.m. This location is approximately 13 miles from Pepperidge Farm headquarters in Norwalk, CT.

To obtain an admission ticket by mail in advance and avoid registration lines at the door, simply indicate that you plan to attend the meeting by marking the appropriate box on the proxy card and return it in the envelope provided or by requesting an admission card when voting by phone or over the Internet. If you do not wish to send the proxy card, you may obtain an admission card by sending a written request in the envelope. Shareowners who do not have admission cards will need to register at the door.

**If you do not own shares in your own name, you should have your broker or agent in whose name the shares are registered call (856) 342-6122, fax (856) 342-3889, or write to the Office of the Corporate Secretary at 1 Campbell Place, Camden, NJ 08103-1799 to request a ticket before November 9, 2008. Otherwise you must bring proof of ownership (e.g., a broker's statement) in order to be admitted to the meeting. You will also need a government-issued photographic identification to be admitted.**



**It is important that your shares be represented and voted at the meeting. Please fill out, sign, date and return the accompanying proxy card or vote by phone or via the Internet as soon as possible, whether or not you plan to attend the meeting.**

By order of the Board of Directors,

John J. Furey  
Vice President and Corporate Secretary

Camden, New Jersey  
October 9, 2008

**Appendix A for 2008 Proxy Statement**

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Note: The documents listed above are also available on the Company's Web site ([www.campbellsoupcompany.com](http://www.campbellsoupcompany.com)) in the governance section. The Company's Code of Business Conduct and Ethics and the charters for the four standing committees of the Board are also posted on the same Web site.

**CAMPBELL SOUP COMPANY  
CORPORATE GOVERNANCE STANDARDS**

**September 25, 2008**

**Composition of the Board and Qualifications of Directors**

1. Pursuant to the Company's By-Laws, the Board currently consists of 15 directors. A substantial majority of the Board shall be composed of directors who meet the requirements for independence established by the New York Stock Exchange. The Board shall make a determination at least annually as to the independence of each director, in accordance with standards that are disclosed to the shareowners.
2. All directors should be persons of the highest integrity, who abide by exemplary standards of business and professional conduct. Directors should possess the skills and judgment, and the commitment to devote the time and attention, necessary to fulfill their duties and responsibilities.
3. Directors are elected by the shareowners at the Annual Meeting of Shareowners for a one-year term, to serve until the next Annual Meeting. In the event of vacancies on the Board, the Board may elect directors to serve until the next Annual Meeting.

In any uncontested election of directors, a director nominee who receives more votes withheld than votes for his or her election shall immediately tender his or her resignation. The Board will accept the resignation unless there is a compelling reason for the director to remain on the Board, and will promptly disclose the action it has taken and the reasons for it.

4. The Chief Executive Officer is currently the only employee of the Company nominated by the directors to serve on the Board. The Board believes that, as a general rule, former Campbell executives should not serve as directors of the Company.
5. The Board believes that service on the boards of other companies, and of civic and charitable organizations, enhances the experience and perspective of directors, but may also limit their time and availability. To ensure that all members of the Board have sufficient time to devote proper attention to their responsibilities as directors of the Company, the Governance Committee shall annually review the other board commitments of each director on a case-by-case basis.
6. No person may serve as a director if he or she is employed by a major supplier, customer or competitor of Campbell. In addition, no person may serve as a director if he or she, or a member of his or her immediate family (as defined in the Listing Standards of the New York Stock Exchange), is an executive officer of another company for which an executive officer of Campbell serves on the compensation committee of the board of directors, or of a non-for-profit organization that receives substantial contributions from Campbell or the Campbell Soup Foundation.
7. A director shall notify the Chair of the Governance Committee prior to accepting an invitation to serve on the board of another company or to become affiliated with another business entity. The Governance Committee or its designee shall evaluate and advise the Board whether, by reason of conflicts in regular meeting schedules or business or competitive considerations, simultaneous service on the other board or affiliation with the other entity may impede the director's ability to fulfill his or her responsibilities to Campbell. The Governance Committee shall also administer and apply the Board's Policy Concerning Transactions with Related Persons.

8. A director who changes his or her principal employment, position, or professional role or affiliation following election or re-election to the Board shall tender his or her resignation for consideration by the Governance Committee and decision by the Board.
9. Directors are required to own at least 2,000 Campbell shares within one year of election, and 6,000 shares within three years of election.

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10. The Board believes that the judgment as to the tenure of an individual director should rest on an assessment by the Governance Committee of his or her performance and contributions to the Board. Accordingly, there is no predetermined limit on the number of one-year terms to which a director may be re-elected prior to his or her 72nd birthday. No person may stand for election to the Board after age 72.

### **Responsibilities of Directors**

11. The Board believes that the primary responsibilities of directors are to exercise their business judgment in good faith, to act in what they reasonably believe to be the best interest of all shareowners, and to ensure that the business of the Company is conducted so as to further the long-term interests of its shareowners.
12. Directors shall receive and review appropriate materials in advance of meetings relating to matters to be considered or acted upon by the Board and its committees. Directors are expected to prepare for, attend and participate actively and constructively in all meetings of the Board and of the committees on which they serve.
13. Directors are expected to become and remain well informed about the business, performance, operations and management of the Company; general business and economic trends affecting the Company; and principles and practices of sound corporate governance.
14. In consultation with the Governance Committee, management shall provide programs for director orientation in which all new directors are expected to participate, and information to all directors about programs for continuing director education in areas of importance to the Company.
15. A director shall not participate in the discussion of or decision on any matter in which he or she has a personal, business or professional interest other than his or her interest as a shareowner of the Company. Directors shall promptly inform the Chairman of the Board regarding any actual or potential conflict of interest.

### **Composition of Board Committees**

16. The Board shall establish such standing committees as it deems appropriate and in the best interests of the Company. The current standing committees of the Board are the Audit Committee, the Compensation and Organization Committee, the Finance and Corporate Development Committee, and the Governance Committee.
17. The Governance Committee shall recommend and the Board shall appoint, annually and as vacancies or new positions occur, the members of the standing committees and the committee chairs. The Governance Committee shall annually review the membership of the committees, taking account of both the desirability of periodic rotation of committee members and the benefits of continuity and experience in committee service.
18. All members of the Audit, Governance, and Compensation and Organization Committees shall meet the independence requirements of the New York Stock Exchange.
19. Directors who serve on the Audit Committee shall also meet the requirements as to independence, experience and expertise for audit committee members established by the New York Stock Exchange and applicable laws and regulations. At least one member of the Audit Committee shall be an audit committee

financial expert as defined by the rules of the U.S. Securities and Exchange Commission.

20. No member of the Audit Committee shall simultaneously serve on the audit committees of more than two other public companies.

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## Board Operations

21. The Board shall determine the number of regular meetings to be scheduled each year, and shall meet more frequently as circumstances may require.
22. The Governance Committee shall recommend and the Board shall appoint, annually and as vacancies occur, a Chairman of the Board. When the Chief Executive Officer of the Company also holds the position of Chairman of the Board, the Chair of the Governance Committee will serve as the Lead Director to preside at executive sessions of non-management directors and provide oversight for the effective functioning of the Board.
23. Upon consultation with the Chief Executive Officer, the Chairman shall annually establish an agenda of the matters that are expected to be considered and acted upon by the Board during the following year. The annual schedule shall be provided to the full Board for review and comment. In addition, the CEO shall review with the Chairman of the Board, prior to each Board meeting, the agenda for the meeting and the nature and scope of the materials that will be furnished to the directors in advance of the meeting.
24. The agenda will provide for an executive session of non-management directors (as defined by the New York Stock Exchange) at every regularly scheduled Board meeting and for an executive session of independent directors at least once a year. The Chairman of the Board, or, when appropriate, the Chair of the Governance Committee, acting in the capacity of Lead Director, shall preside at executive sessions.
25. Directors shall have unfettered access to management and employees of the Company and to its inside and outside counsel and auditors. Executive officers and other senior management are expected to be present at Board meetings at the invitation of the Board.
26. The Board shall establish methods by which interested parties may communicate directly with the Chairman or Lead Director, or with the non-management directors as a group, and shall cause such methods to be disclosed in the proxy statement.
27. The Board and each of its committees are authorized to retain such independent legal, financial or other advisors as they may deem necessary or appropriate to carry out their duties.
28. Directors' fees (including, in the case of a non-executive Chairman of the Board, the Chairman's annual retainer and any additional compensation approved by the Board) will be the sole compensation that any director who is not an employee of Campbell receives, directly or indirectly, from the Company. The form and amount of director compensation shall be based on principles recommended by the Governance Committee and adopted by the Board, and shall be reviewed annually by the Governance Committee. The current principles provide that annual director compensation shall be set at the median of a group of 23 food and consumer products companies, and shall be delivered 50% in unrestricted Campbell shares and 50% in cash unless a director elects to receive his or her compensation entirely in the form of Campbell stock.
29. The Governance Committee shall be furnished annually with a report identifying any charitable contributions or pledges made by the Company during the last year, in the aggregate amount of \$25,000 or more, to any entity for which a director serves as an executive officer.

## Committee Operations

30. Each standing committee of the Board will have a charter that is approved by the Board and sets forth the purposes, duties and responsibilities of the committee. At least annually, the members of each committee will evaluate the adequacy of the committee's charter, and will conduct an evaluation of its performance and effectiveness in fulfilling the duties and responsibilities set forth in the charter.

31. The chair of each standing committee, in consultation with management, shall annually establish agendas of the matters that are expected to be considered and acted upon by the committee during the following year. The annual schedule shall be provided to committee members for review and comment. Management will review with the chair of each committee, prior to each meeting, the agenda for the meeting and the nature and scope of the materials that will be furnished to the committee members in advance of the meeting.
32. The chair of each committee shall report to the Board following each meeting of the committee on the principal matters reviewed or approved by the committee and its recommendations as to actions to be taken by the Board. All directors will receive copies of all minutes of standing committee meetings.
33. The Audit Committee shall have the sole authority and responsibility to select, appoint, evaluate and replace the Company's independent auditors, subject only to ratification by the shareowners, and to approve audit engagement fees and terms. The Audit Committee shall approve in advance all audit services and all permissible non-audit services to be provided by the independent auditors.
34. The Audit Committee shall meet periodically with senior management, the internal auditors, and the Company's independent auditors, in separate executive sessions.
35. The Governance Committee shall have sole authority to retain and terminate any search firm used to assist in the identification of director candidates, and any compensation consultant retained to assist in the design or evaluation of director compensation, including sole authority to approve their fees and other retention terms.
36. The Governance Committee shall lead the Board in an annual self-evaluation of the performance and effectiveness of the Board and its committees, and shall report the results of the evaluation to the shareowners in the proxy statement. The Governance Committee shall also assess, on the basis of established criteria, the performance of each director standing for re-election at the next Annual Meeting of Shareowners.
37. The Compensation and Organization Committee shall have sole authority to retain and terminate any compensation consultant used to assist in the design or evaluation of executive compensation for the Chief Executive Officer or senior management, including sole authority to approve the consultant's fees and other retention terms.

#### **Oversight of the Business and Management**

38. The Board shall review and approve fundamental financial and business strategies and major corporate actions and an annual operating plan that integrates strategic plan milestones, and regularly evaluate business performance and results in light of the operating plan.
39. The Board shall develop principles and policies for the selection of the Chief Executive Officer and the assessment of his or her performance. The Compensation and Organization Committee shall lead the Board at least annually in an evaluation of the performance of the CEO. The results of the evaluation shall be reviewed in one or more meetings of non-management directors at which the CEO is not present.
40. The Compensation and Organization Committee shall recommend to the Board plans and policies regarding the succession of the CEO in the event of an emergency or the CEO's retirement. The CEO shall provide to the Board, on an ongoing basis, recommendations regarding a successor to be appointed in such an event.

41. The Chief Executive Officer will report at least annually to the Compensation and Organization Committee his or her evaluation of the senior management of the Company.
42. The Chief Executive Officer will report annually to the Compensation and Organization Committee on the Company's executive organization and principal programs for management development

and planning for executive succession. The Committee will evaluate and report annually to the Board on the effectiveness of these processes.

43. The Board shall approve a Code of Business Conduct and Ethics applicable to directors, officers and employees of the Company, which prohibits retaliation in any form against anyone who reports suspected violations. Any amendments to the Code or waivers of its provisions for directors or executive officers shall be approved by the Audit Committee and promptly disclosed to shareowners.

### **Executive Compensation**

44. With input from the other independent directors, the Compensation and Organization Committee shall annually approve the corporate goals and objectives relevant to the compensation of the Chief Executive Officer. The CEO will report to the Board on progress in achieving these goals. Together with the other independent directors, the Compensation and Organization Committee shall determine the CEO's compensation based on the Board's evaluation of his or her performance in light of these goals and objectives.
45. All equity-based compensation plans shall be approved by the shareowners.
46. Incentive compensation plans will be based on principles and policies for executive compensation recommended by the Compensation and Organization Committee and approved by the Board.
47. By the terms of the shareowner-approved incentive plan, stock options may not be repriced.
48. Pursuant to the Company's program relating to ownership of Campbell stock by executives, approximately the 35 most senior executives of the Company must retain a portion of the equity compensation they receive until they own Campbell stock valued at varying amounts ranging from two times to six times base salary, depending upon their positions. Restricted stock and stock options, including vested stock options, do not count toward satisfaction of this requirement.

### **Shareowners**

49. All shareowners have equal voting rights.
50. The Board will develop, approve and annually review Corporate Governance Standards that are disclosed each year to shareowners in the proxy statement.

### **STANDARDS FOR THE DETERMINATION OF DIRECTOR INDEPENDENCE**

A director shall be considered independent if the Board determines that the director does not have, directly or indirectly, any material relationship with the Company. In making this determination the Board shall broadly consider all relevant facts and circumstances.

Under the Company's Corporate Governance Standards, directors' fees are the sole compensation that any director who is not an employee of Campbell may receive, directly or indirectly, from the Company. The Board has established the following additional standards to assist it in determining director independence. For the purposes of these standards, the term "immediate family member" shall have the meaning given in the Listing Standards of the New York Stock Exchange.

1. A director will not be considered independent if, within the preceding three years:
  - (a) the director was employed by the Company, or an immediate family member of the director was employed as an executive officer of the Company;
  - (b) the director or an immediate family member of the director received direct compensation from the Company exceeding \$120,000 during any twelve month period, other than (i) director or committee fees, (ii) pension or other forms of deferred compensation for prior service that are

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not contingent on continued service, (iii) compensation for former service as an interim chairman or CEO, or (iv) compensation received by an immediate family member for services as a non-executive employee of the Company.

- (c) the director or an immediate family member of the director was a partner or employee of the Company's present or former independent auditor and personally worked on the Company's audit;
- (d) an executive of Campbell served on the compensation committee of the board of directors of another company that employed the director or a member of the director's immediate family as an executive officer;
- (e) the director is an employee or executive officer of, or an immediate family member of the director is an executive officer of, another company that does business with Campbell, and the annual sales to or purchases from that company account for the greater of \$1 million or 2% of such company's gross revenues; or
- (f) the director is an executive officer of another company that is indebted to Campbell, or to which Campbell is indebted, and the total amount of either company's indebtedness to the other exceeds 1% of the total consolidated assets of the company where the director serves as an executive officer.

2. A director will not be considered independent if:

- (a) the director is a current employee or an immediate family member of the director is a current partner of a firm that is the Company's independent auditor; or
- (b) the director has an immediate family member who is a current employee of the Company's independent auditor and who personally works on the Company audit.

3. A director who serves as an executive officer of a not-for-profit entity shall not be considered to have a material relationship with the Company if the discretionary contributions made to the entity by Campbell or the Campbell Soup Foundation (excluding matching grants) during the preceding three years are less than \$25,000 or 2% (whichever is greater) of the entity's most recent publicly available operating budget.

4. With respect to any relationship that is not covered by the guidelines in paragraphs 1 and 2 above, the members of the Board who satisfy the standards for independence set forth in those guidelines shall make a determination, based on all relevant facts and circumstances, as to whether or not the relationship is material, and therefore whether the director who has the relationship shall be considered independent. The Company will disclose and explain the basis for any determination that such a relationship is not material in its next proxy statement. The Company will also disclose and explain the basis for any determination of independence for a director who does not satisfy the guidelines in paragraphs 1, 2 and 3 above.

Pursuant to the requirements of U.S. law, the Company does not make any personal loans or extensions of credit to any director, or any arrangements for the extension of credit to any director.

The Company's conflicts of interest policy requires the disclosure of any personal interest, influence, relationship or other situation that might constitute or be perceived as a potential conflict of interest. Each director is required annually to submit a signed statement attesting to his or her awareness of and compliance with this policy. In addition, under the Company's Corporate Governance Standards, directors are required promptly to inform the Chairman of the Board regarding any actual or potential conflict of interest.

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## **COMMUNICATING CONCERNS TO THE BOARD OF DIRECTORS**

Any person who has a concern about Campbell's governance, corporate conduct, business ethics or financial practices may communicate that concern to the Board of Directors. Concerns may be submitted in writing to the Chairman of the Board or to the non-management directors as a group in care of the Office of the Corporate Secretary at the Company's headquarters, or by email to [directors@campbellsoup.com](mailto:directors@campbellsoup.com). Concerns may also be communicated to the Board by calling the following toll-free Hotline telephone number in the U.S. and Canada: 1-800-210-2173. To place toll-free calls from other countries in which the Company has operations, please see the instructions listed in the governance section of the Company's Web site at [www.campbellsoupcompany.com](http://www.campbellsoupcompany.com). Any concern relating to accounting, internal accounting controls or auditing matters will be referred both to the Chairman and to the Chair of the Audit Committee.

Campbell policy prohibits the Company and any of its employees from retaliating in any manner, or taking any adverse action, against anyone who raises a concern or helps to investigate or resolve it. However, anyone who prefers to raise a concern in a confidential, anonymous manner may do so by calling the Hotline.

Concerns communicated to the Board will be addressed through the Company's regular procedures for addressing such matters. Depending upon the nature of the concern, it may be referred to the Company's Internal Audit Department, the Legal or Finance Department, or other appropriate departments. As they deem necessary or appropriate, the Chairman of the Board or the Chair of the Audit Committee may direct that certain concerns communicated to them be presented to the Audit Committee or the full Board, or that they receive special treatment, including the retention of outside counsel or other outside advisors.

The status of concerns communicated to the Board will be reported periodically to the Chairman and/or the Chair of the Audit Committee, as appropriate.

**Appendix B**

**CAMPBELL SOUP COMPANY**

**2005 Long-Term Incentive Plan**

**(As Amended and Restated)**

**Effective: November 20, 2008**

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**Campbell Soup Company  
2005 Long-Term Incentive Plan**

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## ARTICLE I

### PURPOSE AND EFFECTIVE DATE

§ 1.1 **Purpose.** The purpose of the Plan is to provide financial incentives for selected Key Employees of the Campbell Group and for the non-employee Directors of the Company, thereby promoting the long-term growth and financial success of the Campbell Group by (1) attracting and retaining employees and Directors of outstanding ability, (2) strengthening the Campbell Group's capability to develop, maintain, and direct a competent management team, (3) providing an effective means for selected Key Employees and non-employee Directors to acquire and maintain ownership of Campbell Stock, (4) motivating Key Employees to achieve long-range Performance Goals and objectives, and (5) providing incentive compensation opportunities competitive with those of other major corporations.

§ 1.2 **Effective Date and Expiration of Plan.** The Plan was approved by Shareowners on November 18, 2005, which is the Effective Date. Unless earlier terminated by the Board pursuant to Section 11.3, the Plan shall terminate on the tenth anniversary of its Effective Date. No Award shall be made pursuant to the Plan after its termination date, but Awards made prior to the termination date may extend beyond that date.

## ARTICLE II

### DEFINITIONS

The following words and phrases, as used in the Plan, shall have these meanings:

§ 2.1 **Administrator** means the individual or individuals to whom the Committee delegates authority under the Plan in accordance with Section 3.3.

§ 2.2 **Award** means, individually or collectively, any Option, SAR, Restricted Stock, Restricted Performance Stock, unrestricted Campbell Stock or Performance Unit Award.

§ 2.3 **Award Statement** means a written confirmation of an Award under the Plan furnished to the Participant.

§ 2.4 **Board** means the Board of Directors of the Company.

§ 2.5 **Campbell Group** means the Company and all of its Subsidiaries on and after the Effective Date.

§ 2.6 **Campbell Stock** means Capital Stock of the Company.

§ 2.7 **Cause** except for purposes of Article XII, with respect to any Participant, means (i) the definition of Cause as set forth in any individual employment agreement applicable to such Participant, or (ii) in the case of a Participant who does not have an individual employment agreement that defines Cause, then Cause means the termination of a Participant's employment by reason of his or her (1) engaging in gross misconduct that is injurious to the Campbell Group, monetarily or otherwise, (2) misappropriation of funds, (3) willful misrepresentation to the directors or officers of the Campbell Group, (4) gross negligence in the performance of the Participant's duties having an adverse effect on the business, operations, assets, properties or financial condition of the Campbell Group, (5) conviction of a crime involving moral turpitude, or (6) entering into competition with the Campbell Group. The determination of whether a Participant's employment was terminated for Cause shall be made by the Company in its sole discretion.

§ 2.8 **Change in Control** shall have the meaning ascribed to such term in Section 12.2 herein.

§ 2.9 **Code** means the Internal Revenue Code of 1986, as amended.

§ 2.10 **Committee** means the Compensation and Organization Committee of the Board, any successor committee thereto, a subcommittee thereof, or any other committee appointed from time to time by the Board to administer the Plan.

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- § 2.11 **Company** means Campbell Soup Company and its successors and assigns.
- § 2.12 **Deferred Account** means an account established for a Participant under Section 10.1.
- § 2.13 **Deferred Compensation Plan** means any Campbell Soup Company Deferred Compensation Plan.
- § 2.14 **Director** means a member of the Board of Directors of the Company.
- § 2.15 **Effective Date** means November 18, 2005.
- § 2.16 **Exchange Act** means the Securities Exchange Act of 1934, as amended.
- § 2.17 **Fair Market Value** means, as of any specified date, an amount equal to the mean between the reported high and low prices of Campbell Stock on the New York Stock Exchange composite tape on the specified date or, if no shares of Campbell Stock have been traded on any such dates, the mean between the reported high and low prices of Campbell Stock on the New York Stock Exchange composite tape as reported on the first day prior thereto on which shares of Campbell Stock were so traded. If shares of Campbell Stock are no longer traded on the New York Stock Exchange, Fair Market Value shall be determined in good faith by the Committee using other reasonable means.
- § 2.18 **Fiscal Year** means the fiscal year of the Company, which is the 52-or 53-week period ending on the Sunday closest to July 31.
- § 2.19 **Incentive Stock Option** means an option within the meaning of Section 422 of the Code, or any successor provision thereof.
- § 2.20 **Key Employee** means a salaried employee of the Campbell Group who is in a management position.
- § 2.21 **Nonqualified Stock Option** means an option granted under the Plan other than an Incentive Stock Option.
- § 2.22 **Option** means either a Nonqualified Stock Option or an Incentive Stock Option to purchase Campbell Stock.
- § 2.23 **Option Price** means the price at which Campbell Stock may be purchased under an Option as provided in Section 5.4, or in the case of a SAR granted under Section 5.8, the Fair Market Value of Campbell Stock on the date the SAR is awarded.
- § 2.24 **Participant** means a Key Employee or a non-employee Director to whom an Award has been made under the Plan or a Transferee.
- § 2.25 **Performance Goals** means goals established by the Committee pursuant to Section 4.5.
- § 2.26 **Performance Period** means a period of time over which performance is measured.
- § 2.27 **Performance Unit** means the unit of measure determined under Article IX by which is expressed the value of a Performance Unit Award.
- § 2.28 **Performance Unit Award** means an Award granted under Article IX.

§ 2.29 **Personal Representative** means the person or persons who, upon the death, disability, or incompetency of a Participant, shall have acquired, by will or by the laws of descent and distribution or by other legal proceedings, the right to exercise an Option or SAR or the right to any Restricted Stock Award or Performance Unit Award theretofore granted or made to such Participant.

§ 2.30 **Plan** means Campbell Soup Company 2005 Long-Term Incentive Plan.

§ 2.31 **Restricted Performance Stock** means Campbell Stock subject to Performance Goals.

§ 2.32 **Restricted Stock** means Campbell Stock subject to the terms and conditions provided in Article VI and including Restricted Performance Stock.

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§ 2.33 **Restricted Stock Award** means an Award granted under Article VI.

§ 2.34 **Restriction Period** means a period of time determined under Section 6.2 during which Restricted Stock is subject to the terms and conditions provided in Section 6.3.

§ 2.35 **SAR** means a stock appreciation right granted under Section 5.8.

§ 2.36 **Shareowners** means the Shareowners of the Company.

§ 2.37 **Subsidiary** means a corporation or other entity the majority of the voting stock of which is owned directly or indirectly by the Company.

§ 2.38 **Transferee** means a person to whom a Participant has transferred his or her rights to an Award under the Plan in accordance with Section 11.1 and procedures and guidelines adopted by the Company.

### ARTICLE III

#### ADMINISTRATION

§ 3.1 **Committee to Administer.** The Plan shall be administered by the Committee. It is intended that the directors appointed to serve on the Committee shall be non-employee directors (within the meaning of Rule 16b-3 promulgated under the Exchange Act) and outside directors (within the meaning of Section 162(m) of the Code) to the extent that Rule 16b-3 and, if necessary for relief from the limitation under Section 162(m) of the Code and such relief is sought by the Company, Section 162(m) of the Code, respectively, are applicable. However, the mere fact that a Committee member shall fail to qualify under either of the foregoing requirements shall not invalidate any Award made by the Committee which Award is otherwise validly made under the Plan. A majority of the members of the Committee shall constitute a quorum for the conduct of business at any meeting. The Committee shall act by majority vote of the members present at a duly convened meeting, which may include a meeting by conference telephone call held in accordance with applicable law. Action may be taken without a meeting if written consent thereto is given in accordance with applicable law.

#### § 3.2 Powers of Committee.

(a) The Committee shall have full power and authority to interpret and administer the Plan and to establish and amend rules and regulations for its administration. The Committee's decisions shall be final and conclusive with respect to the interpretation of the Plan and any Award made under it.

(b) Subject to the provisions of the Plan, the Committee shall have authority, in its discretion, to determine those Key Employees who shall receive an Award, the time or times when such Award shall be made, the vesting schedule, if any, for the Award and the type of Award to be granted, the number of shares to be subject to each Option and Restricted Stock Award, and the value of each Performance Unit.

(c) The Committee shall determine and set forth in an Award Statement the terms of each Award, including such terms, restrictions, and provisions as shall be necessary to cause certain Options to qualify as Incentive Stock Options. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan or in any Award Statement, in such manner and to the extent the Committee shall determine in order to carry out the purposes of the Plan. The Committee may, in its discretion, accelerate (i) the date on which any Option or SAR may be exercised, (ii) the date of termination of the restrictions applicable to a Restricted Stock Award, or (iii) the end of a

Performance Period under a Performance Unit Award, if the Committee determines that to do so will be in the best interests of the Company and the Participants in the Plan; provided, however, that, with respect to Awards that are subject to Section 409A of the Code, the Committee shall not have the authority to accelerate or postpone the timing of payment or settlement of an Award in a manner that would cause such Award to become subject to the interest and penalty provisions under Section 409A of the Code.

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**§ 3.3 Delegation by Committee.** The Committee may, but need not, from time to time delegate some or all of its authority under the Plan to an Administrator consisting of one or more members of the Committee or of the Board or of one or more officers of the Company; *provided, however*, that the Committee may not delegate its authority (i) to make Awards to Key Employees (A) who are subject on the date of the Award to the reporting rules under Section 16(a) of the Exchange Act, (B) whose compensation for such fiscal year may be subject to the limit on deductible compensation pursuant to Section 162(m) of the Code, or (C) who are officers of the Company who are delegated authority by the Committee hereunder, unless in the cases of (A) through (C) above the delegation consists of at least two directors that satisfy the requirements of an outside director for purposes of Section 162(m) of the Code and a non-employee director for purposes of Rule 16b-3 under the Exchange Act, or (ii) to interpret the Plan or any Award, or (iii) under Section 11.3 of the Plan. Any delegation hereunder shall be subject to the restrictions and limits that the Committee specifies at the time of such delegation or thereafter. Nothing in the Plan shall be construed as obligating the Committee to delegate authority to an Administrator, and the Committee may at any time rescind the authority delegated to an Administrator appointed hereunder or appoint a new Administrator. At all times the Administrator appointed under this Section 3.3 shall serve in such capacity at the pleasure of the Committee. Any action undertaken by the Administrator in accordance with the Committee's delegation of authority shall have the same force and effect as if undertaken directly by the Committee, and any reference in the Plan to the Committee shall, to the extent consistent with the terms and limitations of such delegation, be deemed to include a reference to the Administrator.

## ARTICLE IV

### AWARDS

**§ 4.1 Awards.** Awards under the Plan shall consist of Incentive Stock Options, Nonqualified Stock Options, SARs, Restricted Stock, Restricted Performance Stock, unrestricted Campbell Stock and Performance Units. All Awards shall be subject to the terms and conditions of the Plan and to such other terms and conditions consistent with the Plan as the Committee deems appropriate. Awards under a particular section of the Plan need not be uniform and Awards under two or more sections may be combined in one Award Statement. Any combination of Awards may be granted at one time and on more than one occasion to the same Key Employee. Awards of Performance Units and Restricted Performance Stock shall be earned solely upon attainment of Performance Goals and the Committee shall have no discretion to increase such Awards.

**§ 4.2 Eligibility for Awards.** An Award may be made to any Key Employee selected by the Committee. In making this selection and in determining the form and amount of the Award, the Committee may give consideration to the functions and responsibilities of the respective Key Employee, his or her present and potential contributions to the success of the Campbell Group, the value of his or her services to the Campbell Group, and such other factors deemed relevant by the Committee. Non-employee Directors are eligible to receive Awards pursuant to Article VII.

### **§ 4.3 Shares Available Under the Plan.**

(a) The Campbell Stock to be offered under the Plan pursuant to Options, SARs, Performance Unit Awards, and Restricted Stock and unrestricted Campbell Stock Awards must be Campbell Stock previously issued and outstanding and reacquired by the Company. Subject to adjustment under Section 11.2, the number of shares of Campbell Stock that may be issued pursuant to Awards under the Plan (the **Section 4.3 Limit**) shall not exceed 10,500,000 shares. Not more than the Section 4.3 Limit shall be granted in the form of Incentive Stock Options.

(b) The Section 4.3 Limit shall be increased by shares of Campbell Stock that are (i) tendered in payment of the Option Price of Options or the exercise price of other Awards; (ii) subject to an Award which for any reason is

cancelled (excluding shares subject to an Option cancelled upon the exercise of a related SAR) or terminated without having been exercised or paid; (iii) withheld from any Award to satisfy a Participant's tax withholding obligations or, if applicable, to pay the Option Price of an Option or the exercise price of other Awards or (iv) acquired by the Company on the open market using the cash proceeds received by the

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Company from the exercise of Options granted under the Plan; *provided, however*, that the Section 4.3 Limit shall not be increased under this Section 4.3(b)(iv) in respect of any Option by the number of shares of Campbell Stock greater than (A) the amount of such cash proceeds, divided by (B) the Fair Market Value on the date of exercise; *provided* further that any shares added back to the Section 4.3 Limit pursuant to this Section 4.3(b)(iv) shall not increase the number of shares available for grant as Incentive Stock Options. Anything to the contrary in this Section 4.3(b) notwithstanding, if a SAR is settled in whole or in part in shares of Campbell Stock, the Section 4.3 Limit shall be increased by the excess, if any, of the number of shares of Campbell Stock subject to the SAR over the number of shares of Campbell Stock delivered to the Participant upon exercise of the SAR.

**§ 4.4 Limitation on Awards.** Anything to the contrary in this Article IV notwithstanding and subject to adjustment contemplated under Section 11.2, the maximum aggregate dollar value of Restricted Stock and Performance Units awarded to any Key Employee with respect to a Performance Period or Restriction Period may not exceed \$5 million for each fiscal year included in such Performance Period or Restriction Period. The maximum number of shares for which Options and SARs may be granted to any Participant in any one fiscal year shall not exceed five million, regardless of whether SARs are settled in cash, Campbell Stock or a combination thereof. Notwithstanding the preceding two sentences, if in respect of any Performance Period or Restriction Period, the Committee grants to a Participant Awards having an aggregate dollar value and/or number of shares less than the maximum dollar value and/or number of shares that could be paid or awarded to such Participant based on the degree to which the relevant Performance Goals were attained, the excess of such maximum dollar value and/or number of shares over the aggregate dollar value and/or number of shares actually subject to Awards granted to such Participant shall be carried forward and shall increase the maximum dollar value and/or number of shares that may be awarded to such Participant in respect of the next Performance Period in respect of which the Committee grants to such Participant an Award intended to qualify as *qualified performance-based compensation* under Section 162(m) of the Code, subject to adjustment pursuant to Section 11.2 hereof.

**§ 4.5 General Performance Goals.** Prior to or during the beginning of a Performance Period (but in any event no later than 90 days into a Performance Period) the Committee will establish in writing one or more Performance Goals for the Company. The Performance Goals will be comprised of specified levels of one or more of the following performance criteria as the Committee may deem appropriate: earnings per share, net earnings, operating earnings, unit volume, net sales, market share, balance sheet measurements, revenue, economic profit, cash flow, cash return on assets, shareowner return, return on equity, or return on capital. In addition, for any Awards not intended to meet the requirements of Section 162(m) of the Code, the Committee may establish Performance Goals based on other performance criteria as it deems appropriate. The Performance Goals may be described in terms of objectives that are related to the individual Participant or objectives that are Company-wide or related to a Subsidiary, division, department, region, function or business unit and may be measured on an absolute or cumulative basis or on the basis of percentage of improvement over time, and may be measured in terms of Company performance (or performance of the applicable Subsidiary, division, department, region, function or business unit) or measured relative to selected peer companies or a market index.

**§ 4.6 Section 162(m) Participants.** The Committee may determine whether any Award under the Plan is intended to be *performance-based compensation* within the meaning of Section 162(m) of the Code. Any such Awards designated as *performance-based compensation* shall be conditioned upon the achievement of one or more Performance Goals to the extent required by Section 162(m) of the Code and shall be subject to all other conditions and requirements of Section 162(m) of the Code. Notwithstanding anything contained in Section 4.5, within the first 90 days of a Performance Period, or on such earlier date as may be required under Section 162(m) of the Code, the Committee will establish in writing the maximum amount to be paid under an Award to a Key Employee who is or may be a *covered employee* within the meaning of Section 162(m) of the Code if one or more Performance Goals for the Performance Period are achieved. No amount shall be paid to a covered employee pursuant to an Award unless and until the Committee has certified in writing that the applicable Performance Goals and any other material terms under such

Award (other than in cases where such relate solely to the increase in the value of Campbell Stock) have

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been satisfied. In each instance, adjustments to reflect Extraordinary Items must be in accordance with generally accepted accounting principles and appear on the face of the Company's *Consolidated Statements of Income* contained in the Company's *Consolidated Financial Statements* for such fiscal year. At any time, the Committee may reduce (but not increase) the amount payable under an Award to a covered employee upon attainment of Performance Goals on the basis of such further considerations as the Committee in its sole discretion shall determine.

§ 4.7 **Awards in Lieu of Salary or Bonus.** The Committee may, in its sole discretion, and on such terms and conditions as the Committee may prescribe, give Participants the opportunity to receive Awards in lieu of future salary, bonus or other compensation.

## ARTICLE V

### STOCK OPTIONS AND STOCK APPRECIATION RIGHTS

§ 5.1 **Award of Stock Options.** The Committee may, from time to time, and on such terms and conditions as the Committee may prescribe, award Incentive Stock Options and Nonqualified Stock Options to any Key Employee.

#### § 5.2 **Period of Option.**

(a) An Option granted under the Plan shall be exercisable only in accordance with the vesting schedule approved by the Committee. The Committee may in its discretion prescribe additional conditions, restrictions or terms on the vesting of an Option, including the full or partial attainment of Performance Goals pursuant to Section 4.5. After the Option vests, the Option may be exercised at any time during the term of the Option, in whole or in installments, as specified in the related Award Statement. Subject to Section 5.6, the duration of each Option shall not be more than ten years from the date of grant.

(b) Except as provided in Section 5.6, a Participant may not exercise an Option unless such Participant is then, and continually (except for sick leave, military service, or other approved leave of absence) after the grant of the Option has been, an employee or Director of the Campbell Group. Unless the Committee provides otherwise, vesting of Awards granted hereunder will be suspended (and no vesting credit will be awarded) during any unpaid leave of absence and will resume on the date the Participant returns to employment on a regular schedule as determined by the Committee.

§ 5.3 **Award Statement or Agreement.** Each Option shall be evidenced by an Award Statement or an option agreement.

§ 5.4 **Option Price, Exercise and Payment.** The Option Price of Campbell Stock under each Option shall be determined by the Committee but shall be a price not less than 100 percent of the Fair Market Value of Campbell Stock at the date such Option is granted, as determined by the Committee.

Subject to Section 11.2, the Committee may not (i) amend an Option to reduce its Option Price, (ii) cancel an Option and regrant an Option with a lower Option Price than the original Option Price of the cancelled Option, or (iii) take any other action (whether in the form of an amendment, cancellation or replacement grant) that has the effect of repricing an Option.

Vested Options may be exercised from time to time by giving written notice to the Treasurer of the Company, or his or her designee, specifying the number of shares to be purchased. The notice of exercise shall be accompanied by payment in full of the Option Price in cash or the Option Price may be paid in whole or in part through the transfer to the Company of shares of Campbell Stock in accordance with procedures established by the Committee from time to

time. In addition, in accordance with the rules and procedures established by the Committee for this purpose, an Option may also be exercised through a cashless exercise procedure involving a broker or dealer, that affords Participants the opportunity to sell immediately some or all of the shares underlying the exercised portion of the Option in order to generate sufficient cash to pay the Option Price and/or to satisfy any minimum withholding tax obligations related to the Option. In

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addition, the Committee may in its sole discretion, determine such other acceptable form of valid consideration and method of payment for the payment of the Option Price.

In the event such Option Price is paid in whole or in part, with shares of Campbell Stock, the portion of the Option Price so paid shall be equal to the value, as of the date of exercise of the Option, of such shares. The value of such shares shall be equal to the number of such shares multiplied by the Fair Market Value of such shares on the trading day coincident with the date of exercise of such Option (or the immediately preceding trading day if the date of exercise is not a trading day). The Company shall not issue or transfer Campbell Stock upon exercise of an Option until the Option Price is fully paid. The Participant may satisfy any minimum amounts required to be withheld by the Company under applicable federal, state and local tax laws in effect from time to time, by electing to have the Company withhold a portion of the shares of Campbell Stock to be delivered for the payment of such taxes.

**§ 5.5 Limitations on Incentive Stock Options.** Each provision of the Plan and each Award Statement relating to an Incentive Stock Option shall be construed so that each Incentive Stock Option shall be an incentive stock option as defined in Section 422 of the Code, and any provisions of the Award Statement thereof that cannot be so construed shall be disregarded.

**§ 5.6 Termination of Employment.** Subject to Article XII, the following provisions will govern the ability of a Participant to exercise any outstanding Options or SARs following the Participant's termination of employment with the Campbell Group unless the Committee determines otherwise with respect to any individual Option or SAR.

(a) If the employment of a Participant with the Campbell Group is terminated for reasons other than (i) death, (ii) discharge for Cause, (iii) retirement, or (iv) resignation, such Participant's outstanding SARs or Options may be exercised at any time within three years after such termination, to the extent of the number of shares covered by such Options or SARs which were exercisable at the date of such termination; except that an Option or SAR shall not be exercisable on any date beyond the expiration date of such Option or SAR.

(b) If the employment of a Participant with the Campbell Group is terminated for Cause, any Options or SARs of such Participant (whether or not then exercisable) shall expire and any rights thereunder shall terminate immediately.

(c) If the employment of a Participant is terminated due to resignation, such Participant's outstanding Options or SARs may be exercised at any time within three months of such resignation to the extent that the number of shares covered by such Options or SARs were exercisable at the date of such resignation, except that an Option or SAR shall not be exercisable on any date beyond the expiration date of such Option or SAR.

(d) Should a Participant, who is not eligible to retire under the Company's pension plan or a pension plan of any member of the Campbell Group, die either while in the employ of the Campbell Group or after termination of such employment (other than discharge for Cause), the SARs or Options of such deceased Participant may be exercised by his or her Personal Representative at any time within three years after the Participant's death to the extent of the number of shares covered by such Options or SARs which were exercisable at the date of such death, except that an Option or SARs shall not be exercisable on any date beyond the expiration date of such Option or SAR.

(e) Should a Participant who is eligible to retire under the Company's pension plan or a pension plan of any member of the Campbell Group die while in the employ of the Campbell Group prior to the vesting of his or her outstanding Options or SARs, any installment or installments not then exercisable shall become fully exercisable as of the date of the Participant's death and the SARs or Options may be exercised by the Participant's Personal Representative at any time prior to the expiration date of such Options or SARs.

(f) Should a Participant who has retired die prior to exercising all of his or her Options or SARs that were outstanding and exercisable on the date of death, then such SARs and Options may be exercised by the Participant's Personal Representative at any time prior to the expiration date of such Options or SARs.

(g) If a Participant who was granted an Option or SAR dies within 180 days of the expiration date of such Option or SAR, and if on the date of death the Participant was entitled to exercise such Option or SAR,

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including Options and SARs vested pursuant to Section 5.6(e), and if the Option or SAR expired without being exercised, the Personal Representative of the Participant shall receive in settlement a cash payment from the Company of a sum equal to the amount, if any, by which the Fair Market Value (determined on the expiration date of the Option or SAR) of Campbell Stock subject to the Option or SAR exceeds the Option Price.

(h) In the event the Participant's employment with the Campbell Group terminates (except for a termination for Cause which is governed by Section 5.6(b)) prior to the vesting of all Options and SARs, and if the Participant is eligible to retire under the Company's pension plan or a pension plan of any member of the Campbell Group at the date of such termination, any installment or installments not then exercisable shall become fully exercisable as of the effective date of such termination and may be exercised at any time prior to the expiration date of such Options or SARs. If the Participant receives severance payments from the Company or any affiliated company and becomes eligible to retire during the severance payment period, all of the Participant's Options and SARs shall become fully exercisable as of the date of such Participant's retirement eligibility date and may be exercised at any time prior to the expiration date of such Options or SARs.

**§ 5.7 Shareowner Rights and Privileges.** A Participant shall have no rights as a Shareowner with respect to any shares of Campbell Stock covered by an Option until the issuance of such shares to the Participant.

**§ 5.8 Award of SARs.**

(a) The Committee may award to the Participant a SAR related to the Option. The Committee may also award SARs that are unrelated to any Option.

(b) The SAR shall represent the right to receive payment of an amount equal to the amount by which the Fair Market Value of one share of Campbell Stock on the trading day immediately preceding the date of exercise of the SAR exceeds the Option Price multiplied by the number of shares covered by the SAR.

(c) SARs awarded under the Plan shall be evidenced by an Award Statement or agreement between the Company and the Participant.

(d) The Committee may prescribe conditions and limitations on the exercise or transferability of any SAR. SARs may be exercised only when the value of a share of Campbell Stock exceeds the Option Price. Such value shall be determined in the manner specified in Section 5.8(b).

(e) A SAR shall be exercisable only by written notice to the Treasurer of the Company or his or her designee.

(f) To the extent not previously exercised, all SARs shall automatically be exercised on the last trading day prior to their expiration, so long as the value of a share of Campbell Stock exceeds the Option Price, unless prior to such day the holder instructs the Treasurer otherwise in writing. Such value shall be determined in the manner specified in Section 5.8(b).

(g) Payment of the amount to which a Participant is entitled upon the exercise of a SAR shall be made in cash, Campbell Stock, or partly in cash and partly in Campbell Stock at the discretion of the Committee. The shares shall be valued in the manner specified in Section 5.8(b).

(h) Each SAR shall expire on a date determined by the Committee at the time of grant.

**ARTICLE VI**

**RESTRICTED STOCK**

§ 6.1 **Award of Restricted Stock.** The Committee may make a Restricted Stock Award to any Key Employee, subject to this Article VI and to such other terms and conditions as the Committee may prescribe.

§ 6.2 **Restriction Period.** At the time of making a Restricted Stock Award, the Committee shall establish the Restriction Period applicable to such Award. The Committee may establish different Restriction

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Periods from time to time and each Restricted Stock Award may have a different Restriction Period, in the discretion of the Committee. Restriction Periods, when established for a Restricted Stock Award, shall not be changed except as permitted by Section 6.3.

**§ 6.3 Other Terms and Conditions.** Campbell Stock, when awarded pursuant to a Restricted Stock Award, will be represented in a book entry account in the name of the Participant who receives the Restricted Stock Award, unless the Participant has elected to defer pursuant to Section 10.1. The Participant shall be entitled to receive dividends during the Restriction Period and shall have the right to vote such Restricted Stock and shall have all other Shareowner's rights, with the exception that (i) the Participant will not be entitled to delivery of the stock certificate during the Restriction Period, (ii) the Company will retain custody of the Restricted Stock during the Restriction Period, and (iii) a breach of a restriction or a breach of the terms and conditions established by the Committee pursuant to the Restricted Stock Award will cause a forfeiture of the Restricted Stock Award. The Participant may satisfy any minimum amounts required to be withheld by the Company under applicable federal, state and local tax laws in effect from time to time, by electing to have the Company withhold a portion of the Restricted Stock Award to be delivered for the payment of such taxes. The Committee may, in addition, prescribe additional restrictions, terms, or conditions upon or to the Restricted Stock Award including the attainment of Performance Goals in accordance with Section 4.5.

**§ 6.4 Restricted Stock Award Statement or Agreement.** Each Restricted Stock Award shall be evidenced by an Award Statement or an agreement.

**§ 6.5 Termination of Employment.** Subject to Article XII and except as provided in this Section 6.5, the Committee may, in its sole discretion, establish rules pertaining to the Restricted Stock Award in the event of termination of employment (by retirement, disability, death, or otherwise) of a Participant prior to the expiration of the Restriction Period. If the employment of a Participant with the Campbell Group is terminated for Cause, any non-vested Restricted Stock Awards of such Participant shall immediately be forfeited and any rights thereunder shall terminate.

**§ 6.6 Payment for Restricted Stock.** Restricted Stock Awards may be made by the Committee under which the Participant shall not be required to make any payment for the Campbell Stock or, in the alternative, under which the Participant, as a condition to the Restricted Stock Award, shall pay all (or any lesser amount than all) of the Fair Market Value of the Campbell Stock, determined as of the date the Restricted Stock Award is made. If the latter, such purchase price shall be paid in cash as provided in the Award Statement.

## ARTICLE VII

### AWARDS FOR NON-EMPLOYEE DIRECTORS

**§ 7.1 Award to Non-Employee Directors.** The Board will approve the compensation of non-employee Directors and such compensation may consist of Awards under the Plan. The Board retains the discretionary authority to make Awards to non-employee Directors. All such Awards shall be subject to the terms and conditions of the Plan and to such other terms and conditions consistent with the Plan as the Board deems appropriate. The Board may, in its sole discretion, subject to such terms and conditions as the Board may prescribe, give non-employee Directors the opportunity to receive an Option Award in lieu of future cash compensation or other types of Awards.

**§ 7.2 Election by Non-employee Directors to Receive Campbell Stock.** Each non-employee Director may elect to receive all or a portion (in 10% increments) of any cash compensation in shares of Campbell Stock, which will be issued quarterly. Only whole numbers of shares will be issued. For purposes of computing the number of shares earned and their taxable value each quarter, the value of each share shall be equal to the Fair Market Value of a share of Campbell Stock on the last business day of the quarter. If a Participant dies prior to payment of all shares earned,

the balance due shall be payable in full to the Participant's designated beneficiary under the Deferred Compensation Plan, or, if none, to the Participant's estate, in cash.

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§ 7.3 **No Right to Continuance as a Director.** None of the actions of the Company in establishing the Plan, the actions taken by the Company, the Board, the Committee or the Administrator under the Plan, or the granting of any Award under the Plan shall be deemed (i) to create any obligation on the part of the Board to nominate any Director for reelection by the Company's Shareowners or (ii) to be evidence of any agreement or understanding, express or implied, that the Director has a right to continue as a Director for any period of time or at any particular rate of compensation.

## ARTICLE VIII

### UNRESTRICTED CAMPBELL STOCK AWARDS FOR KEY EMPLOYEES

§ 8.1 The Committee may make awards of unrestricted Campbell Stock to Key Employees in recognition of outstanding achievements or as an additional award for Key Employees who receive Restricted Stock Awards when Performance Goals are exceeded.

## ARTICLE IX

### AWARD OF PERFORMANCE UNITS

§ 9.1 **Award of Performance Units.** The Committee may award Performance Units to any Key Employee. Each Performance Unit shall represent the right of a Participant to receive an amount equal to the value of the Performance Unit, determined in the manner established by the Committee at the time of Award.

§ 9.2 **Performance Period.** At the time of each Performance Unit Award, the Committee shall establish, with respect to each such Award, a Performance Period during which performance shall be measured. There may be more than one Performance Unit Award in existence at any one time, and Performance Periods may differ.

§ 9.3 **Performance Measures.** Performance Units shall be awarded to a Participant and earned contingent upon the attainment of Performance Goals in accordance with Section 4.5.

§ 9.4 **Performance Unit Value.** Each Performance Unit shall have a maximum dollar value established by the Committee at the time of the Award. Performance Units earned will be determined by the Committee in respect of a Performance Period in relation to the degree of attainment of Performance Goals. The measure of a Performance Unit may, in the discretion of the Committee, be equal to the Fair Market Value of one share of Campbell Stock.

§ 9.5 **Award Criteria.** In determining the number of Performance Units to be granted to any Participant, the Committee shall take into account the Participant's responsibility level, performance, potential, cash compensation level, other incentive awards, and such other considerations as it deems appropriate.

§ 9.6 **Payment.** (a) Following the end of Performance Period, a Participant holding Performance Units will be entitled to receive payment of an amount, not exceeding the maximum value of the Performance Units, based on the achievement of the Performance Goals for such Performance Period, as determined by the Committee.

(b) Payment of Performance Units shall be made in cash, whether payment is made at the end of the Performance Period or is deferred pursuant to Section 10.1, except that Performance Units which are measured using Campbell Stock shall be paid in Campbell Stock. Payment shall be made in a lump sum or in installments and shall be subject to such other terms and conditions as shall be determined by the Committee.

**§ 9.7 Termination of Employment.** (a) Subject to Article XII, a Performance Unit Award shall terminate for all purposes if the Participant does not remain continuously in the employ of the Campbell Group at all times during the applicable Performance Period, except as may otherwise be determined by the Committee.

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(b) In the event that a Participant holding a Performance Unit ceases to be an employee of the Campbell Group following the end of the applicable Performance Period but prior to full payment according to the terms of the Performance Unit Award, payment shall be made in accordance with terms established by the Committee for the payment of such Performance Unit.

§ 9.8 **Performance Unit Award Statements or Agreements.** Each Performance Unit Award shall be evidenced by an Award Statement or agreement.

## ARTICLE X

### DEFERRAL OF PAYMENTS

§ 10.1 **Election to Defer.** A Participant may elect to defer all or a portion of any related earned Performance Units, Restricted Stock or unrestricted Campbell Stock, or pursuant to the terms of any Deferred Compensation Plan; provided, however, that the terms of any deferrals under this Section 10.1 shall comply with all applicable laws, rules and regulations, including, without limitation, Section 409A of the Code. The value of the Performance Units, Restricted Stock or unrestricted Campbell Stock so deferred shall be allocated to a Deferred Account established for the Participant under any Deferred Compensation Plan.

## ARTICLE XI

### MISCELLANEOUS PROVISIONS

#### § 11.1 **Limits as to Transferability.**

(a) The Committee, may, in its discretion, permit a Nonqualified Stock Option to be transferred by the Participant, subject to such terms and conditions as the Committee shall specify. Any Nonqualified Stock Option so transferred may not be transferred for consideration and may not be subsequently transferred by the Transferee except by will or the laws of descent and distribution. Such transferred Nonqualified Stock Option shall continue to be governed by and subject to the terms and conditions of the Plan and the corresponding Award Statement.

(b) Incentive Stock Options shall not be transferable by the Participant other than by will or the laws of descent and distribution, and shall be exercisable during the Participant's lifetime only by the Participant. Notwithstanding the previous sentence, the Committee may in its discretion permit the transfer of an Incentive Stock Option by the Participant to a trust if, under Section 671 of the Code and applicable state law, the Participant is the sole beneficial owner of such Incentive Stock Option while it is held in trust.

(c) No SAR (except for any SAR issued in tandem with an Option), share of Restricted Stock, or Performance Unit under the Plan shall be transferable by the Participant other than by will or the laws of descent and distribution.

(d) Any transfer contrary to this Section 11.1 will nullify the Option, SAR, Performance Unit, or share of Restricted Stock.

§ 11.2 **Adjustments Upon Changes in Stock.** In case of any reorganization, recapitalization, reclassification, stock split, reverse stock split, stock dividend, extraordinary one-time dividend, distribution, combination of shares, merger, consolidation, spin-off, split-up, rights offering, or any other changes in the corporate structure or shares of the Company, appropriate adjustments may be made by the Committee (or if the Company is not the surviving corporation in any such transaction, the board of directors of the surviving corporation) in (i) the maximum aggregate

number and kind of shares referred to in Sections 4.3 and 4.4, (ii) the number and kind of shares subject to outstanding Awards and (iii) the exercise price or purchase price, if any, of any outstanding Award. Appropriate adjustments may also be made by the Committee in the terms of any Awards under the Plan, subject to Article XII and to the extent permitted by Section 162(m) of the Code for those Awards intended to qualify as qualified performance-based compensation under 162(m) of the Code, to reflect such changes and to modify any other terms of outstanding Awards on an equitable basis, including modifications of Performance Goals and changes in the length of Performance Periods. Any such

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adjustments made by the Committee pursuant to this Section 11.2 shall be conclusive and binding for all purposes under the Plan.

**§ 11.3 Amendment, Suspension, and Termination of Plan.**

(a) The Board may suspend or terminate the Plan or any portion thereof at any time, and may amend the Plan from time to time in such respects as the Board may deem advisable in order that any Awards thereunder shall conform to any change in applicable laws or regulations or in any other respect the Board may deem to be in the best interests of the Company; provided, however, that no such amendment shall, without Shareowner approval, (i) except as provided in Section 11.2, increase the number of shares of Campbell Stock which may be issued under the Plan, (ii) expand the types of awards available to Participants under the Plan, (iii) materially expand the class of employees eligible to participate in the Plan, (iv) materially change the method of determining the Option Price; (v) delete or limit the provision in Section 5.4 prohibiting the repricing of Options; or (vi) extend the termination date of the Plan. No such amendment, suspension, or termination shall materially adversely alter or impair any outstanding Options, SARs, shares of Restricted Stock, or Performance Units without the consent of the Participant affected thereby.

(b) The Committee may amend or modify any outstanding Options, SARs, Restricted Stock Awards, or Performance Unit Awards in any manner to the extent that the Committee would have had the authority under the Plan initially to award such Options, SARs, Restricted Stock Awards, or Performance Unit Awards as so modified or amended, including without limitation, to change the date or dates as of which such Options or SARs may be exercised, to remove the restrictions on shares of Restricted Stock, or to modify the manner in which Performance Units are determined and paid.

(c) Anything to the contrary in the foregoing notwithstanding, the Board shall have broad authority to amend the Plan without the consent of a Participant to the extent the Board deems necessary or advisable (i) to comply with, or take into account changes in applicable tax laws, securities laws, accounting rules and other applicable law, rules and regulations or (ii) to ensure that an Award is not subject to interest or penalties under Section 409A of the Code.

**§ 11.4 Nonuniform Determinations.** The Committee's determinations under the Plan, including without limitation, (i) the determination of the Key Employees to receive Awards, (ii) the form, amount, and timing of such Awards, (iii) the terms and provisions of such Awards and (iv) the Award Statements evidencing the same, need not be uniform and may be made by it selectively among Key Employees who receive, or who are eligible to receive, Awards under the Plan, whether or not such Key Employees are similarly situated.

**§ 11.5 General Restriction.** Each Award under the Plan shall be subject to the condition that, if at any time the Committee shall determine that (i) the listing, registration, or qualification of the shares of Campbell Stock subject or related thereto upon any securities exchange or under any state or federal law (ii) the consent or approval of any government or regulatory body, or (iii) an agreement by the Participant with respect thereto, is necessary or desirable, then such Award shall not become exercisable in whole or in part unless such listing, registration, qualification, consent, approval, or agreement shall have been effected or obtained free of any conditions not acceptable to the Committee.

**§ 11.6 No Right To Employment.** None of the actions of the Company in establishing the Plan, the action taken by the Company, the Board, the Committee or the Administrator under the Plan, or the granting of any Award under the Plan shall be deemed (i) to create any obligation on the part of the Company to retain any person in the employ of the Campbell Group, or (ii) to be evidence of any agreement or understanding, express or implied, that the person has a right to continue as an employee for any period of time or at any particular rate of compensation.

§ 11.7 **Governing Law.** The provisions of the Plan shall take precedence over any conflicting provision contained in an Award Statement. All matters relating to the Plan or to Awards granted hereunder shall be governed by and construed in accordance with the laws of the State of New Jersey without regard to the principles of conflict of laws.

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§ 11.8 **Trust Arrangement.** All benefits under the Plan represent an unsecured promise to pay by the Company. The Plan shall be unfunded and the benefits hereunder shall be paid only from the general assets of the Company resulting in the Participants having no greater rights than the Company's general creditors; provided, however, nothing herein shall prevent or prohibit the Company from establishing a trust or other arrangement for the purpose of providing for the payment of the benefits payable under the Plan.

§ 11.9 **Taxes.** The Company or any Subsidiary, as appropriate, shall have the right to require any Participant entitled to receive a payment in respect of an Award to remit to the Company or any Subsidiary, prior to such payment, an amount sufficient to satisfy any applicable tax withholding requirements. In the case of an Award payable in shares of Campbell Stock, the Company or the Subsidiary, as appropriate, may permit such individual to satisfy, in whole or in part, such obligation to remit any minimum taxes by directing the Company to withhold shares of Campbell Stock that would otherwise be received by such Participant to satisfy the minimum statutory withholding rates for any applicable tax withholding purposes, in accordance with applicable laws and pursuant to such rules as the Committee may establish from time to time. The Company or a Subsidiary, as appropriate, shall also have the right to deduct from all cash payment made to a Participant (whether or not such payment is made in connection with an Award) any applicable taxes required to be withheld in connection with an Award.

§ 11.10 **Section 409A of the Code.** If any provision of the Plan or an Award Statement contravenes any regulations or Treasury guidance promulgated under Section 409A of the Code or could cause an Award to be subject to the interest and penalties under Section 409A of the Code, such provision of the Plan or any Award Statement shall be modified to maintain, to the maximum extent practicable, the original intent of the applicable provision without violating the provisions of Section 409A of the Code. Moreover, any discretionary authority that the Committee may have pursuant to the Plan shall not be applicable to an Award that is subject to Section 409A of the Code to the extent such discretionary authority will contravene Section 409A or the regulations or guidance promulgated thereunder.

## ARTICLE XII

### CHANGE IN CONTROL OF THE COMPANY

§ 12.1 **Contrary Provisions.** Notwithstanding anything contained in the Plan to the contrary, the provisions of this Article XII shall govern and supersede any inconsistent terms or provisions of the Plan.

§ 12.2 **Definitions.**

(a) **Change in Control.** For purposes of the Plan, **Change in Control** shall mean any of the following events:

(i) The acquisition in one or more transactions by any **Person** (as the term person is used for purposes of Section 13(d) or 14(d) of the Exchange Act) of **Beneficial Ownership** (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of twenty-five percent (25%) or more of the combined voting power of the Company's then outstanding voting securities (the **Voting Securities**), provided, however, that for purposes of this Section 12.2(a), the **Voting Securities** acquired directly from the Company by any **Person** shall be excluded from the determination of such **Person's** **Beneficial Ownership** of **Voting Securities** (but such **Voting Securities** shall be included in the calculation of the total number of **Voting Securities** then outstanding); or

(ii) The individuals who, as of November 18, 2005, are members of the Board (the **Incumbent Board**), cease for any reason to constitute more than fifty percent of the Board; provided, however, that if the election, or nomination for election by the Company's Shareowners, of any new director was approved by a vote of at least two-thirds of the **Incumbent Board**, such new director shall, for purposes of the Plan, be considered as a member of the **Incumbent**

Board, but excluding for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board; or

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(iii) The consummation of a merger or consolidation involving the Company if the Shareowners of the Company, immediately before such merger or consolidation, do not own, directly or indirectly immediately following such merger or consolidation, more than fifty percent (50%) of the combined voting power of the outstanding Voting Securities of the corporation resulting from such merger or consolidation in substantially the same proportion as their ownership of the Voting Securities immediately before such merger or consolidation; or

(iv) Approval by Shareowners of the Company of a complete liquidation or dissolution of the Company or an agreement for the sale or other disposition of all or substantially all of the assets of the Company; or

(v) Acceptance of Shareowners of the Company of shares in a share exchange if the Shareowners of the Company, immediately before such share exchange, do not own, directly or indirectly immediately following such share exchange, more than fifty percent (50%) of the combined voting power of the outstanding Voting Securities of the corporation resulting from such share exchange in substantially the same proportion as their ownership of the Voting Securities outstanding immediately before such share exchange.

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because twenty-five percent (25%) or more of the then outstanding Voting Securities is acquired by (i) a trustee or other fiduciary holding securities under one or more employee benefit plans maintained by the Company or any of its Subsidiaries, (ii) any corporation which, immediately prior to such acquisition, is owned directly or indirectly by the Shareowners of the Company in the same proportion as their ownership of stock in the Company immediately prior to such acquisition, (iii) any Grandfathered Dorrance Family Shareowner (as hereinafter defined) or (iv) any Person who has acquired such Voting Securities directly from any Grandfathered Dorrance Family Shareowner but only if such Person has executed an agreement which is approved by two-thirds of the Board and pursuant to which such Person has agreed that he (or they) will not increase his (or their) Beneficial Ownership (directly or indirectly) to 30% or more of the outstanding Voting Securities (the Standstill Agreement) and only for the period during which the Standstill Agreement is effective and fully honored by such Person. For purposes of this Section, Grandfathered Dorrance Family Shareowner shall mean at any time a Dorrance Family Shareowner (as hereinafter defined) who or which is at the time in question the Beneficial Owner solely of (v) Voting Securities Beneficially Owned by such individual on January 25, 1990, (w) Voting Securities acquired directly from the Company, (x) Voting Securities acquired directly from another Grandfathered Dorrance Family Shareowner, (y) Voting Securities which are also Beneficially Owned by other Grandfathered Dorrance Family Shareowners at the time in question, and (z) Voting Securities acquired after January 25, 1990 other than directly from the Company or from another Grandfathered Dorrance Family Shareowner by any Dorrance Grandchild (as hereinafter defined) provided that the aggregate amount of Voting Securities so acquired by each such Dorrance Grandchild shall not exceed five percent (5%) of the Voting Securities outstanding at the time of such acquisition. A Dorrance Family Shareowner who or which is at the time in question the Beneficial Owner of Voting Securities which are not specified in clauses (v), (w), (x), (y) and (z) of the immediately preceding sentence shall not be a Grandfathered Dorrance Family Shareowner at the time in question. For purposes of this Section, Dorrance Family Shareowners shall mean individuals who are descendants of the late Dr. John T. Dorrance, Sr. and/or the spouses, fiduciaries and foundations of such descendants. A Dorrance Grandchild means as to each particular grandchild of the late Dr. John T. Dorrance, Sr., all of the following taken collectively: such grandchild, such grandchild's descendants and/or the spouses, fiduciaries and foundations of such grandchild and such grandchild's descendants.

Moreover, notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the Subject Person) acquired Beneficial Ownership of more than the permitted amount of the outstanding Voting Securities as a result of the acquisition of Voting Securities by the Company which, by reducing the number of Voting Securities outstanding, increases the proportional number of shares Beneficially Owned by the Subject Person, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition

of Voting Securities by the Company, and after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Voting

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Securities which increases the percentage of the then outstanding Voting Securities Beneficially Owned by the Subject Person, then a Change in Control shall occur.

Notwithstanding anything contained in this Plan to the contrary, with respect to an Award that is subject to Section 409A of the Code and payment or settlement of the Award will accelerate upon a Change in Control, no event set forth in an Award Statement or other agreement applicable to a Participant or in clauses (a)(i) (v) of this Section 12.2 shall constitute a Change in Control for purposes of the Plan and any Award unless such event also constitutes a change in ownership, change in effective control or change in the ownership of a substantial portion of the company's assets as defined under Section 409A of the Code and the regulations and guidance promulgated thereunder.

Notwithstanding anything contained in this Plan to the contrary, if a Participant's employment is terminated by the Company without Cause within one year prior to a Change in Control and such termination (i) was at the request of a third party who effectuates a Change in Control or (ii) otherwise occurred in connection with or in anticipation of, a Change in Control, then for purposes of this Article XII only, the date of a Change in Control shall mean the date immediately prior to the date of such Participant's termination of employment.

(b) **Cause.** For purposes of this Article XII only, with respect to any Participant, (i) Cause shall be defined as set forth in any individual agreement applicable to a Participant, or (ii) in the case of a Participant who does not have an individual agreement that defines Cause, then Cause shall mean the termination of a Participant's employment by reason of his or her (A) conviction of a felony or (B) engaging in conduct which constitutes willful gross misconduct which is demonstrably and materially injurious to the Campbell Group, monetarily or otherwise. No act, nor failure to act, on the Participant's part, shall be considered willful unless he or she has acted, or failed to act, with an absence of good faith and without a reasonable belief that his or her action or failure to act was in the best interest of the Campbell Group.

(c) **Good Reason.** For purposes of this Article XII, with respect to any Participant, (i) Good Reason shall be defined as set forth in any individual agreement applicable to a Participant, or (ii) in the case of a Participant who does not have an individual agreement that defines Good Reason, then Good Reason shall mean any of the following events or conditions:

(A) a reduction in the Participant's base salary or any failure to pay the Participant any compensation or benefits to which he or she is entitled within thirty (30) days of the date due;

(B) the Campbell Group's requiring the Participant to be based at any place outside a 50-mile radius from his or her site of employment prior to the Change in Control, except for reasonably required travel on the Campbell Group's business which is not greater than such travel requirements prior to the Change in Control;

(C) the failure by the Campbell Group to provide the Participant with compensation and benefits, in the aggregate, substantially equivalent (in terms of benefit levels and/or reward opportunities) to those provided for under compensation or employee benefit plans, programs and practices as in effect immediately prior to the Change in Control (or as in effect following the Change in Control, if greater);

(D) any purported termination of the Participant's employment for Cause which does not comply with the requirements of the definition of Cause as set forth in Section 12.2(b); or

(E) the failure of the Company to obtain an agreement from any successor or assign of the Company to assume and agree to perform the Plan.

**§ 12.3 Effect of Change in Control on Certain Awards.**

(a) If the Company is not the surviving corporation following a Change in Control, and the surviving corporation following such Change in Control or the acquiring corporation (such surviving corporation or acquiring corporation is hereinafter referred to as the Acquiror ) does not assume the outstanding Options, SARs or Restricted Stock (other than Restricted Performance Stock) or does not substitute equivalent equity awards relating to the securities of such Acquiror or its affiliates for such Awards, then all such Awards shall

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become immediately and fully exercisable (or in the case of Restricted Stock, fully vested and all restrictions will immediately lapse). In addition, the Board or its designee may, in its sole discretion, provide for a cash payment to be made to each Participant for the outstanding Options, SARs or Restricted Stock (other than Restricted Performance Stock) upon the consummation of the Change in Control, determined on the basis of the fair market value that would be received in such Change in Control by the holders of the Company's securities relating to such Awards. Notwithstanding the foregoing, any Option intended to be an Incentive Stock Option under Section 422 of the Code shall be adjusted in a manner to preserve such status.

(b) If the Company is the surviving corporation following a Change in Control, or the Acquiror assumes the outstanding Options, SARs or Restricted Stock (other than Restricted Performance Stock) or substitutes equivalent equity awards relating to the securities of such Acquiror or its affiliates for such Awards, then all such Awards or such substitutes therefore shall remain outstanding and be governed by their respective terms and the provisions of the Plan.

(c) If (i) the employment of a Participant with the Campbell Group is terminated (A) without Cause (as defined in Section 12.2(b)) or (B) by the Participant for Good Reason, in either case within twenty-four (24) months following a Change in Control, and (ii) the Company is the surviving corporation following such Change in Control, or the Acquiror assumes the outstanding Options, SARs or Restricted Stock (other than Restricted Performance Stock) or substitutes equivalent equity awards relating to the securities of such Acquiror or its affiliates for such Awards, then all outstanding Options, SARs or Restricted Stock (other than Restricted Performance Stock) shall become immediately and fully exercisable (or in the case of Restricted Stock, fully vested and all restrictions will immediately lapse).

(d) If (i) the employment of a Participant with the Campbell Group is terminated for Cause within twenty-four (24) months following a Change in Control and (ii) the Company is the surviving corporation following such Change in Control, or the Acquiror assumes the outstanding Options, SARs or Restricted Stock (other than Restricted Performance Stock) or substitutes equivalent equity awards relating to the securities of such Acquiror or its affiliates for such Awards, then any Options or SARs of such Participant shall expire, and any non-vested Restricted Stock shall be forfeited, and any rights under such Awards shall terminate immediately.

(e) Outstanding Options or SARs which vest in accordance with Section 12.3, may be exercised by the Participant in accordance with Section 5.6; provided, however, that a Participant whose Options or SARs become exercisable in accordance with Section 12.3(c) may exercise a SAR or an Option at any time within three years after such termination, except that an Option or SAR shall not be exercisable on any date beyond the expiration date of such Option or SAR, provided, further that any Participant who is eligible to retire at the date of such termination (or during any period during which such Participant receives severance payments) may exercise his or her Options or SARs in accordance with Section 5.6(h)), and provided, further, that in the event of a Participant's death after such termination the exercise of Options and SARs shall be governed by Sections 5.6(d)(f) or (g), as the case may be.

**§ 12.4 Effect of Change in Control on Restricted Performance Stock and Performance Units.** (a) If the Company is not the surviving corporation following a Change in Control, and the Acquiror does not assume the Restricted Performance Stock or the Performance Units or does not substitute equivalent awards (including, in the case of equity or equity-related Awards, equivalent equity awards) for such Awards, then the Participant shall (i) become vested in, and restrictions shall lapse on, the greater of (A) fifty percent (50%) of the Restricted Performance Stock or Performance Units or (B) a pro rata portion of such Restricted Performance Stock or Performance Units based on the portion of the Performance Period that has elapsed to the date of the Change in Control and the aggregate vesting percentage determined pursuant to this clause (B) shall be applied to vesting first such Awards granted the farthest in time preceding the Change in Control and (ii) be entitled to receive (A) in respect of all Performance Units which become vested and with respect to which the restrictions lapse as a result of such

Change in Control, a cash payment within thirty (30) days after such Change in Control equal to the product of the then current value of a Performance Unit multiplied by the number of Performance Units which become vested and with respect to which restrictions lapse in accordance with this subparagraph (a) and (B) in respect of all shares of Performance Restricted Stock which become vested and with respect to which restrictions lapse as a result of such Change in Control, the

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prompt delivery of such shares; provided, however, that the Board or its designee may, in its sole discretion, provide for a cash payment to be made to each Participant for the vested Restricted Performance Stock upon the consummation of the Change in Control, determined on the basis of the fair market value that would be received in such Change in Control by the holders of the Company's securities relating to such Award.

(b) If the Company is the surviving corporation following a Change in Control, or the Acquiror assumes the Restricted Performance Stock or the Performance Units or substitutes equivalent awards (including, in the case of equity or equity-related Awards, equivalent equity awards), then all such Awards or such substitutes therefor shall remain outstanding and be governed by their respective terms and the provisions of the Plan.

(c) If (i) the employment of a Participant with the Campbell Group is terminated (A) without Cause or (B) by the Participant for Good Reason, in either case within twenty-four (24) months following a Change in Control, and (ii) the Company is the surviving corporation following such Change in Control, or the Acquiror assumes the Restricted Performance Stock or the Performance Units or substitutes equivalent awards (including, in the case of equity or equity-related Awards, equivalent equity awards), then the Participant shall (i) become vested in, and restrictions shall lapse on, the greater of (A) fifty percent (50%) of the Restricted Performance Stock or Performance Units or (B) a pro rata portion of such Restricted Performance Stock or Performance Units based on the portion of the Performance Period that has elapsed to the date of the termination of employment and the aggregate vesting percentage determined pursuant to this clause (B) shall be applied to vesting first such Awards granted the farthest in time preceding the termination of employment and (ii) be entitled to receive (A) in respect of all Performance Units which become vested and with respect to which the restrictions lapse as a result of such termination of employment, a cash payment within thirty (30) days after such termination of employment equal to the product of the then current value of a Performance Unit multiplied by the number of Performance Units which become vested and with respect to which restrictions lapse in accordance with this subparagraph (c) and (B) in respect of all shares of Performance Restricted Stock which become vested and with respect to which restrictions lapse as a result of such termination of employment, the prompt delivery of such shares.

(d) If (i) the employment of a Participant with the Campbell Group is terminated for Cause within twenty-four (24) months following a Change in Control and (ii) the Company is the surviving corporation following such Change in Control, or the Acquiror assumes the Restricted Performance Stock or the Performance Units or substitutes equivalent awards (including, in the case of equity or equity-related Awards, equivalent equity awards), then any non-vested Performance Restricted Stock or non-vested Performance Units of such Participant shall immediately be forfeited and any rights thereunder shall terminate.

(e) With respect to any shares of Performance Restricted Stock or Performance Units which do not become vested under Section 12.4(a) (the "Continuing Awards"), such shares or units (or the proceeds thereof) shall continue to be outstanding for the remainder of the applicable Performance Period (as if such shares or units were the only shares or units granted in respect of each such Performance Period) and subject to the applicable Performance Goals as modified in accordance with the provisions hereof.

**§ 12.5 Amendment or Termination.** (a) This Article XII shall not be amended or terminated at any time if any such amendment or termination would adversely affect the rights of any Participant under the Plan.

(b) For a period of twenty-four (24) months following a Change in Control, the Plan shall not be terminated (unless replaced by a comparable long-term incentive plan) and during such period the Plan (or such replacement plan) shall be administered in a manner such that Participants will be provided with long-term incentive awards producing reward opportunities generally comparable to those provided prior to the Change in Control. Any amendment or termination of the Plan prior to a Change in Control which (i) was at the request of a third party who has indicated an intention or taken steps reasonably calculated to effect a Change in Control or (ii) otherwise arose in connection with or in

anticipation of a Change in Control, shall be null and void and shall have no effect whatsoever.

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(c) Following a Change in Control, the Plan shall be amended as necessary to make appropriate adjustments to the Performance Goals for the Continuing Awards for (i) any negative effect that the costs and expenses incurred by the Campbell Group in connection with the Change in Control may have on the achievement of Performance Goals under the Plan and (ii) any changes to the Company and/or its Subsidiaries (including, but not limited to, changes in corporate structure, capitalization and increased interest expense as a result of the incurrence or assumption by the Company of acquisition indebtedness) following the Change in Control so as to preserve the reward opportunities and Performance Goals for comparable performance under the Plan as in effect on the date immediately prior to the Change in Control, in any event to the extent permitted by Section 162(m) of the Code for those Awards intended to qualify as qualified performance-based compensation under 162(m) of the Code.

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**DIRECTIONS AND MAP**  
**Hilton Stamford Hotel and Executive Meeting Center**  
**One First Stamford Place**  
**Stamford, CT 06902**

*Directions*

**From the North:** Take Interstate 95 South to Exit 6 West Avenue. Turn left at the light and make an immediate left at the next light. Merge onto I-95 North via the ramp on the left. Take Exit 7 Greenwich Avenue. Make a right at the end of the ramp and then an immediate right onto First Stamford Place. Proceed over the speed bumps and at the stop sign, turn left into the Hotel entrance.

**From East or West:** Take Merritt Parkway/CT Route 15 to Exit 34 Long Ridge Road/CT Route 104. Follow CT Route 104 South for two miles. Turn right onto Cold Spring Road/CT Route 137 and proceed almost two miles to Tresser Boulevard. Turn right onto Tresser Blvd/US Route 1 and then turn left onto Greenwich Avenue. Continue straight under the Interstate 95 overpass. Turn right onto First Stamford Place. Proceed over the speed bumps and at the stop sign, turn left into the Hotel entrance.

**From the South:** Take Interstate 95 North to Exit 7-Greenwich Avenue. Make a right at the end of the ramp and an immediate right onto First Stamford Place. Proceed over the speed bumps and at the stop sign, turn left into the Hotel entrance.

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**Electronic Voting Instructions**  
**You can vote by Internet or telephone!**  
**Available 24 hours a day, 7 days a week!**

Instead of mailing your proxy, you may choose one of the two voting methods outlined below to vote your proxy.

VALIDATION DETAILS ARE LOCATED BELOW IN THE TITLE BAR.

**Proxies submitted by the Internet or telephone must be received by 12:01 a.m., New York Time, on November 20, 2008.**

**Vote by Internet**

Log on to the Internet and go to  
**www.envisionreports.com/cpb**

Follow the steps outlined on the secure website.

**Vote by telephone**

Call toll free 1-800-652-VOTE (8683) within the United States, Canada & Puerto Rico any time on a touch tone telephone. There is **NO CHARGE** to you for the call.

Using a **black ink** pen, mark your x votes with an **X** as shown in this example. Please do not write outside the designated areas.

Follow the instructions provided by the recorded message.

**Annual Meeting Proxy Card**

**C0123456789**

12345

**IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE.**

**Proposals The Board recommends a vote FOR Items 1, 2, 3 and 4.**

- |                           |                          |                           |                           |                              |   |
|---------------------------|--------------------------|---------------------------|---------------------------|------------------------------|---|
| 1. Election of Directors: | 01 - Edmund M. Carpenter | 02 - Paul R. Charron      | 03 - Douglas R. Conant    | 04 - Bennett Dorrance        |   |
|                           |                          |                           |                           |                              |   |
|                           | 05 - Harvey Golub        | 06 - Randall W. Larrimore | 07 - Mary Alice D. Malone | 08 - Sara Mathew             | + |
|                           |                          |                           |                           |                              |   |
|                           | 09 - David C. Patterson  | 10 - Charles R. Perrin    | 11 - A. Barry Rand        | 12 - George Strawbridge, Jr. |   |



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**DIRECTIONS**

**Hilton Stamford Hotel and Executive Meeting Center  
One First Stamford Place  
Stamford, CT 06902**

**From the North:** Take Interstate 95 South to Exit 6 - West Avenue. Turn left at the light and make an immediate left at the next light. Merge onto I-95 North via the ramp on the left. Take Exit 7 Greenwich Avenue. Make a right at the end of the ramp and then an immediate right onto First Stamford Place. Proceed over the speed bumps and at the stop sign, turn left into the Hotel entrance.

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**Proxy CAMPBELL SOUP COMPANY**

**This Proxy is Solicited on Behalf of the Board of Directors  
for the Annual Meeting on November 20, 2008**

The undersigned hereby appoints Douglas R. Conant, or, in his absence, Ellen O. Kaden or, in the absence of both of them, John J. Furey, and each or any of them, proxies with full power of substitution in each, to vote all shares the undersigned is entitled to vote, at the Annual Meeting of Shareowners of Campbell Soup Company to be held at Hilton Stamford Hotel and Executive Meeting Center, One First Stamford Place, Stamford, Connecticut 06902, at 11:30 a.m., Eastern Time on November 20, 2008, and at any adjournments thereof, on all matters coming before the meeting, including the proposals referred to on the reverse side hereof. If the undersigned is a participant in one of the Campbell Soup Company Savings Plus Plans or in the Group RRSP and Savings Plan (any of such plans, a Savings Plan ), then the undersigned hereby directs the respective trustee of the applicable Savings Plan to vote all shares of Campbell Soup Company Stock in the undersigned's Savings Plan account at the aforesaid Annual Meeting and at any adjournments thereof, on all matters coming before the meeting, including the proposals referred to on the reverse side hereof.

If address change has been made, mark appropriate box on the reverse side of this card.

**Your shares will be voted as recommended by the Board of Directors (or, in the case of shares held in a Savings Plan, will be voted at the discretion of the trustee) unless you otherwise indicate in which case they will be voted as marked.**

**To vote in accordance with the Board of Directors' recommendations just sign the reverse side; no boxes need to be marked. If you do not vote by phone or over the Internet, please fold and return proxy card promptly using the enclosed envelope.**