

GOOD FOR YOU SUSTAINABLE FOR THE PLANET

...in other words, our way of doing business



Barilla

The Italian Food Company. Since 1877.

GOOD FOR YOU SUSTAINABLE FOR THE PLANET

...in other words, our way of doing business



LETTER FROM THE CHAIRMEN

“

The one ingredient we would never like to see missing from what we produce is Quality.

It's something we've always pursued in doing business, and it's the Know-How of the People who work with us that creates it day after day.

Guido, Luca and Paolo Barilla

”

What you are going to read in the next few pages is a simple story. This is the story of the commitment of many People who, over the years, have transformed cereals, tomatoes and cocoa into pasta, bread, sauces, and biscuits. This is the story of Barilla, the Italian family company that has been accompanying the grain of wheat on its journey since 1877 and is above all the story of the People who choose to enrich so many moments of their lives with its products.



The one ingredient we would never like to see missing from what we produce is Quality.

It's something we've always pursued in doing business, and it's the Know-How of the People who work with us that creates it day after day. This translates into taste, safety and wellbeing. Today we can also add a greater awareness on the part of those who want food that is "good for them" but is also "good for the Planet", i.e.

contributes to a better future for the individual and society at large. Also with respect to this meaning of Quality, Barilla stands side by side with People.

Anyone who chooses a product made by our company must be able to do so with the same conviction that we and the People who work for us have. This is why we felt the need to recount what happens in the plants and all along the supply chain. Every gesture contributes towards realizing Barilla's dream: "Give people what we would give our own children." A dream that is not only easy to utter, but which has been cherished for generations by a family, and that contains a weight of trust not to be taken for granted in the current historic moment.

We however seek to keep it alive day after day and not only out of the respect we have for those who preceded us, but because we have faith in tomorrow's world and in those who will inherit and make it better still. The courage with which we work today is what we are sowing for tomorrow's quality of life. The Earth, from which the history of raw materials begins, teaches us the rest: the small grain of wheat, contending with the severity of winter, begins to sprout.

Guido Barilla

Luca Barilla

Paolo Barilla

Guido Barilla, Chairman

Luca Barilla, Deputy Chairman

Paolo Barilla, Deputy Chairman

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 BARILLA STORIES

1. BARILLA AND ITS WAY OF DOING BUSINESS

IN THIS CHAPTER YOU WILL FIND OUT WHO BARILLA IS, WHAT ITS PRODUCTS, BRANDS AND VALUES ARE, AND WHY BARILLA IS COMMITTED TO IMPLEMENTING A SUSTAINABLE BUSINESS MODEL.

[Vision]

We help People live better, bringing wellbeing and eating enjoyment into their everyday lives.

1. 

**BARILLA AND
ITS WAY OF
DOING BUSINESS**

TOWARDS A
SUSTAINABLE AND
INTEGRATED SUPPLY
CHAIN. FROM FIELD
TO FORK

3. 

4. 

TOTAL QUALITY
IS SUSTAINABLE
QUALITY

5. 

MORE CHOICE
AND MORE
KNOWLEDGE FOR GOOD
NUTRITION

2.

COMPANY
MANAGEMENT

[Mission]

“

Since 1877, Barilla has been the Italian family company that believes food should be a joyful, convivial experience, abounding in taste, and a form of sharing and caring.

Barilla offers high quality, safe, tasty products. It is a believer in the Italian food model that combines superior quality ingredients with simple recipes, offering the five senses unique experiences. A sense of belonging, courage, and intellectual curiosity inspire our behaviour and characterize our People. Barilla has always linked its growth to People's wellbeing and to the communities in which it operates.

”

BARILLA IS...

“The Italian Food Company, since 1877”.

If to this definition we add the word “family”, which specifies not only the ownership, but also the way of doing business, we have the key data to describe the company.

[1877]

The year 1877 recalls the basics: sound experience, technical competence and entrepreneurial culture, which only make sense if we are looking to the future, however.

Being a family company imposes a long-term logic on the business, where today's work is based on yesterday's and becomes the building block for tomorrow's, constituting almost a generational pact not only for its owners, but also for its workers and the territories the company operates in. Barilla is not just an Italian company, but the company that speaks for a **FOOD MODEL** – the Italian one – all around the world.

50 MILLION PEOPLE CHOOSE ITS PRODUCTS EVERY DAY, IN OVER 100 COUNTRIES.

Being in the service of these People and all the others to come, carries with it a series of responsibilities.

The paradoxes linked to food in contemporary society help us to appreciate why a company that operates in the food sector can and must now make its resources and skills available to take part, in proportion to its size and possibilities, in solving global problems where food and nutrition play an increasingly determinant role.

With over 130 YEARS of experience behind it, the company has decided to offer the public consumption choices that are compatible with the wellbeing of each individual, of society at large, and of the Planet, unstintingly pursuing this goal day after day.

THIS DOCUMENT AIMS TO EXPLAIN WHY BARILLA DEFINES THIS WAY OF OPERATING AS SUSTAINABLE, AND HOW THIS AFFECTS ITS STRATEGIES, ACTIONS AND RESULTS.

The Italian Food Group

The Barilla Group is one of the largest Italian food manufacturers, a leader in the pasta market, European leader in ready-made sauces, Italian leader in bakery products, and Scandinavian leader in crisp breads.

Engaged in all the categories that underpin the Mediterranean dietary model, Barilla provides products for daily use, seeking excellence in taste and paying constant attention to ensuring a balanced diet.

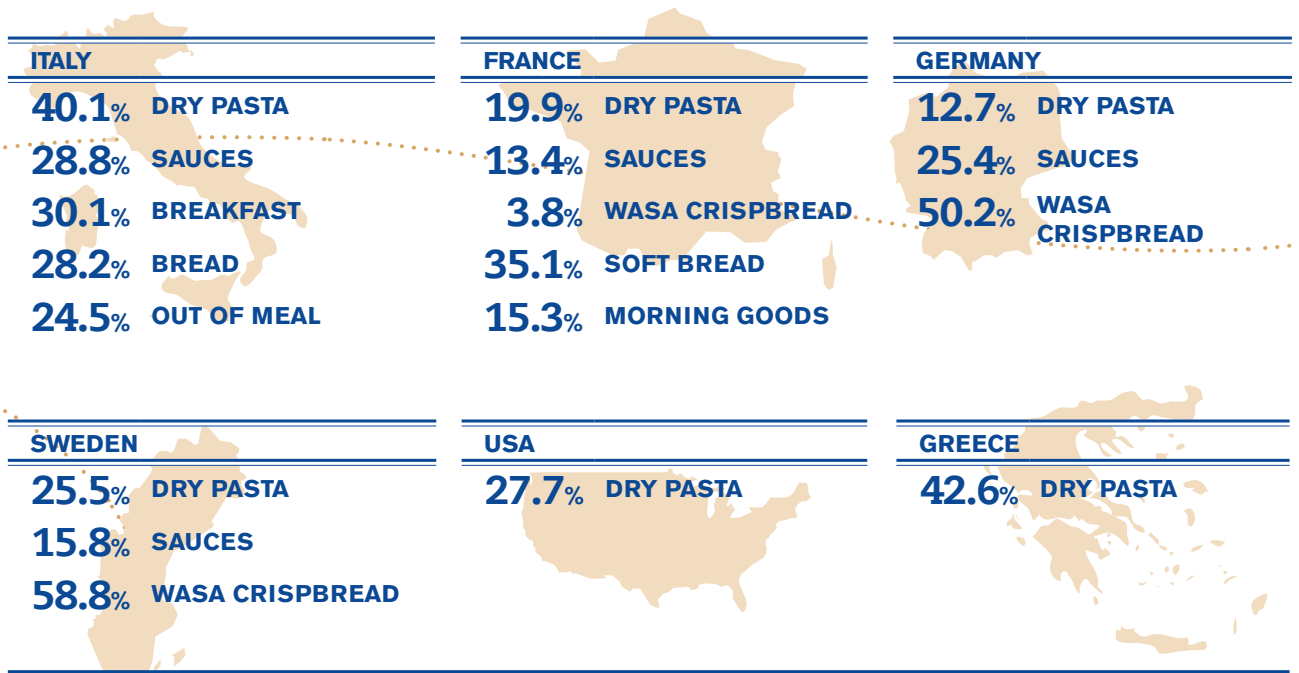
OVER 1,000 PRODUCTS, SUITABLE FOR DIFFERENT TIMES THROUGHOUT THE DAY, ARE SOLD DAILY.

Look at the video



[BARILLA VALUES] **PASSION INTEGRITY**
INTELLECTUAL CURIOSITY COURAGE TRUST

Value Market Shares



The Barilla Group Brands

EVERY YEAR 2,5 MILLION TONS OF PRODUCTS UNDER 16 BRAND NAMES LEAVE OUR PLANTS:

Barilla, Mulino Bianco, Voiello, Pavesi, Gran Cereale, Pan di Stelle, Wasa, Harrys (France and Russia), Lieken Urkorn and Golden Toast (Germany), Academia Barilla, Misko (Greece), Filiz (Turkey), Yemina and Vesta (Mexico). The Number1 brand, a Group company engaged in logistics activities, stands alongside the product brands.



...QUALITY



4. Products “good for you, sustainable for the Planet”





The Quality of every Barilla product is the result of using **superior raw materials, avant-garde production processes, long-term relations with retailers and relationships of trust with People**. In the conviction that the wellbeing of the Company, People, and the Planet are different sides of the same coin.

cocoa

sesame

olive oil

1. Selected raw materials and long-term relationships with Suppliers

durum wheat

2. Advanced production processes and Quality management systems

integrated mills

plants



transport





Production Activity Around the World

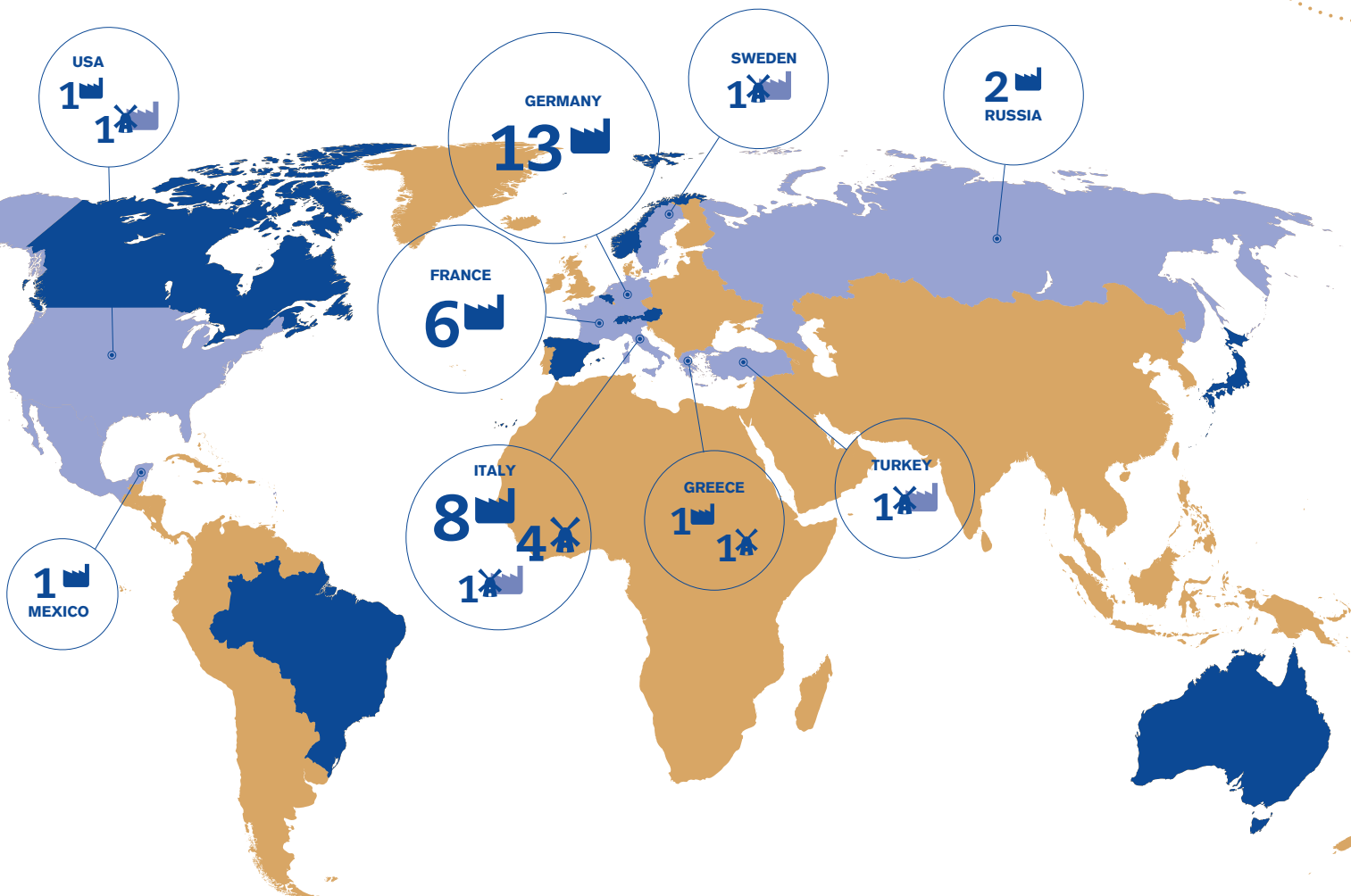
In 2011, Barilla's production activity was divided among 36 plants and 9 mills in 9 countries.

The location of the **PRODUCTION SITES** is as follows:

9 IN ITALY (Marcianise-Caserta, Foggia, Pedrignano-Parma, Ascoli Piceno, Castiglione delle Stiviere-Mantova, Cremona, San Nicola-Melfi-Potenza, Novara, Rubbiano-Parma), **1 IN GREECE** (Thiva), **1 IN TURKEY** (Bolu), **2 IN AMERICA** (Ames, Avon), **1 IN MEXICO** (San Luis de Potosi), **6 IN FRANCE** (Gauchy, Grand Prè-Chateauroux, Malterie-Chateauroux, St. Vulbas-Plain de l'Ain-Lione, Talmont, Valenciennes-Onnaing), **1 IN SWEDEN** (Filipstad), **13 IN GERMANY** (Celle + 12 Lieken), **2 IN RUSSIA** (Solne, Ufa).

5 MILLS IN ITALY (Pedrignano, Altamura, Castelplanio, Ferrara, Galliate), **1 MILL IN GREECE** (Volos), **1 MILL IN TURKEY** (Bolu), **1 MILL IN AMERICA** (Ames), **1 MILL IN SWEDEN** (Filipstad).

In 2011 construction began on a new plant at Rubbiano to produce sauces. Two Lieken plants in Germany were closed down.



Strategy for Sustainable Business

Barilla is convinced that sustainable business creates value for the company, both for the short-and long-term horizons it operates within.

3 fundamental strategic directions:



building knowledge

Developing and sharing a vision of the future that tackles some major paradoxes linked to food and nutrition, while at the same time providing strategic guidelines for the company's daily work. A central role is played here by education, a constant of the company's conduct.



building a sustainable company

Managing the company to constantly improve processes and products under the profile of "Total" Quality in the company's range, thereby contributing to the wellbeing of People and the Planet.



building local relations

Contributing to the development of the territories it operates in not only through company actions, but also as a "social entrepreneur" to demonstrate that it can act on some of those paradoxes via economic resources, but also and above all by means of the skills and scientific and technological resources developed over time by the company.

Some of the 23 Goals

Developing systematic and coherent guidelines on the theme of the relationship with the territory and the community, to be applied in all the contexts where the company operates.

Reducing the Ecological Footprint all along Barilla's supply chain.

Supporting employment potential in the agricultural sector with an eye on managing the territory, local development, protection and cultural promotion.

The 3 strategic directions are divided into 23 operational goals

BARILLA UNDERTAKES TO ACHIEVE ITS GOALS BY MEANS OF:

- A WAY OF BEHAVING AND OPERATING THAT RESPECTS THE RIGHTS OF PRESENT AND FUTURE GENERATIONS, COMMUNITIES, ITS OWN PEOPLE, ITS OWN SUPPLIERS.
- ITS PRODUCTS AND ITS WAY OF PROPOSING THEM TO THE PEOPLE.
- COLLABORATION WITH THE RETAILERS, SCHOOLS, INSTITUTIONS, CIVIL SOCIETY.



For all the goals and their development please see the **cover insert**.

Building Knowledge

“ If we cannot stop the continuous evolution of the Planet, we do have the moral duty to suggest directions and proposals to interact with it in a responsible way.



Guido Barilla



Barilla Center for Food and Nutrition

2011 Results

9

scientific publications

2

national events

4

international events

5

webinar

total of

30,000

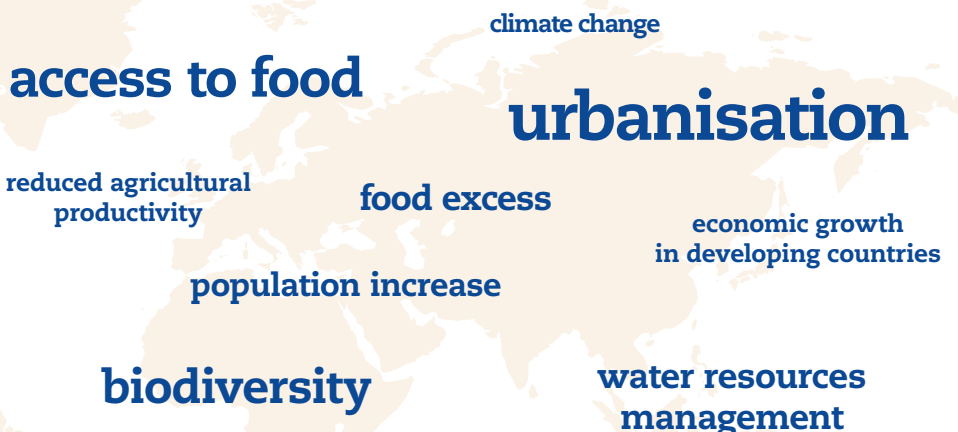
live and streaming participants

The **BCFN** (www.barillacfn.com) is the think tank founded in 2009 with the aim of analyzing the major themes of food and nutrition through a multidisciplinary approach, and to disseminate the results of top international research to the general public.

THE CENTRE CONCENTRATES ON 4 RESEARCH AREAS: FOOD FOR HEALTH, FOOD FOR SUSTAINABLE GROWTH, FOOD FOR ALL, FOOD FOR CULTURE.

The year 2011 was important for the BCFN since it gained accreditation as an international institution. Received in January by the President of the Italian Republic and by Mario Draghi, Governor of the Bank of Italy from 2006 to 2011, in the following months the BCFN handed the recommendations and opinions devised through various scientific publications to the Italian Embassies in France and the United States. The Center also carried on a dialogue with various European Institutions. Then, in October 2010, the BCFN was presented to the European Parliament in Brussels. The consolidation of the scientific work, by means of constant updating of works published in previous years, and the development of new themes, allowed an intensification of the opportunities for public debate on the most urgent problems of food and nutrition.

Webinar, seminars and, in particular, the Third International Forum held in Milan on 30 November and 1 December attracted a wide audience, from institutions to civil society, increasingly sensitive and oriented towards expanding their own awareness and sharing their contribution on the themes in question. The impact these themes have on the quality of life of People and our Planet, and the urgent need to find possible solutions is emblematic of the Barilla Group's commitment to the concrete path of knowledge and dialogue undertaken by the BCFN.



[FOCUS]

Some Paradoxes in Food and Nutrition

Out of a population of over seven billion individuals worldwide, a good billion People are underfed or malnourished.

EVERY YEAR AROUND 36 MILLION PEOPLE DIE FROM LACK OF FOOD. A further billion People suffer from overfeeding while around **29 MILLION** die annually from illnesses linked to high-calorie diets. Speaking of the north and south of the world would mean grossly simplifying reality: at times, those dying from hunger live in the same country as those who become ill from overeating.



Sources: FAO, UN, WHO 2010

The constant increase in the population together with phenomena of urbanization could lead to a worsening of these alarming data, notwithstanding the elimination of extreme poverty and hunger. Even if education and the safeguarding of health form part of the United Nation's Millennium Development Goals and, as such, are observed by International Institutions and Organisms.

While a large majority of the population has problems linked to access to food, and while **ANOTHER BILLION PEOPLE** do not have a fundamental resource, i.e., **drinking water**, every year, **three billion head of livestock** are reared around the world. To feed these requires **one third of the world's agricultural production**. Intensive breeding is the second source of greenhouse gas emission - i.e. the gas responsible for global warming.

Here we are faced by yet another great paradox, whether to use natural resources for feeding People or for breeding animals.

There are many other similar examples to those illustrated above: suffice to think of the so-called **conflictual use of agricultural resources for food and for the production of "first generation" biofuels**, which begs the question whether it is right to propose resources as an (improbable) alternative to petroleum to produce energy that could be used to feed People. Or **wasted food** – in the field, in the distribution cycle and in the fridge – which every year results in throwing away a quantity of food resources sufficient to feed the billion malnourished People (on the food waste see page 20).

Figures of the Paradox



**1.1
billion**
undernourished People



**36
million**
People die from
undernutrition



**1
billion**
People lack access
to water

80%
of the food produced
is destined for



20%
of the global
population

Building a Sustainable Company

The creation and sharing of knowledge, also via circulation within the company of the vision and skills developed by the BCFN, is one of the foundations of Barilla's sustainable business model.

BCFN AREAS

SUSTAINABLE BUSINESS



FOOD FOR SUSTAINABLE GROWTH



FOOD FOR ALL



FOOD FOR HEALTH



FOOD FOR CULTURE

**ENVIRONMENT
SUPPLY CHAIN
COMMUNITY**

**NUTRITION
PEOPLE
HUMAN
CAPITAL**

EDUCATION AND DIALOGUE

Education and Dialogue activities are cut across all areas.

An Example of “Research to Action” is the Double Pyramid

One of the most original results obtained by the BCFN is the so-called “Double Pyramid” model, which allows People to assess and choose how to construct their own diet with awareness of the impact their assessments and choices have on their own wellbeing and that of the Planet.

The Double Pyramid is also an indication of how the company should act, stimulating it to produce in a better way, to reformulate existing products, and invent new ones.

“Improving the nutritional Quality of products and introducing new ones increases Barilla’s competitiveness and, at the same time, allows People to choose what to eat, in relation to their own wellbeing, that of the environment, and that of future generations.”

If it is true that many of the Barilla brand products find themselves in areas of the Pyramid that have an overall environmental impact that is not so heavy for the Planet, this does not exempt the company from working to monitor and reduce its Ecological Footprint in production processes, which are long and complex and stretch quite literally “from field to fork”. The same reasoning applies to the supply chain: **the Double Pyramid solicits wide consumption of agricultural products and for Barilla this translates into a stimulus to increase the relationship with the territory these products come from.** Supplying the company via an integrated supply chain means ensuring greater control over production quality, but also to tend towards a stabilization of prices which often determines the investment capacity, if not the very survival of producers, as well as contributing to the wellbeing of the territory through the creation of work and opportunities for People.



See also the stories:
chapter 3 “**Towards a Sustainable and Integrated Supply Chain. From Field to Fork**”,
and chapter 5 “**More Choice, More Knowledge for Good Nutrition**”.



Building Local Relations

Barilla has an historical relationship with a territory, that of Parma and with a country, Italy. However, today it operates worldwide. This is the reason for the proposal to channel its educational and social commitment into a single company cause, involving the Group’s various brands.

[Non-Profit Guidelines]

In the first months of 2012 Barilla drafted some guidelines for all its foreign associates, regarding contributions to non-profit organisations worldwide.

The basic principles are:

- Favouring product contributions over exclusively financial ones.
- Preferring initiatives that allow Barilla People to become involved.
- When selecting initiatives, favouring those of an educational and instructive nature, able to influence future generations.

All contributions to non-profit organisations follow an annual budget. Initiatives are realized locally together with territorial organisations, and centrally monitored.

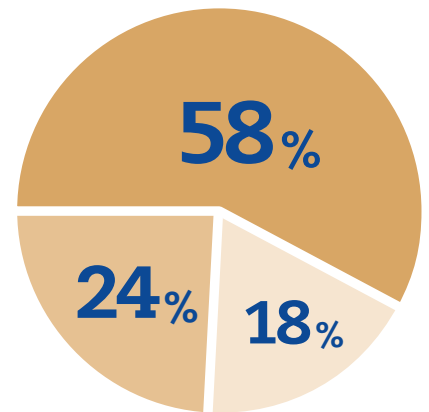
PRODUCT DONATIONS: in 2011, almost all production centres allocated part of their production to support organisations or activities to the tune of **4,487 tons**. Of these **2,590 tons** were donated to Feeding America and **1,070 tons** to the Food Bank. The rest was allocated to other associations, such as the San Vincenzo Association or other national charities. **Product donations in Italy amount to over 3 million Euros.**

MONEY DONATIONS: Overall, over **1 million 800 thousand Euros** were donated (out of which 1 million 430 thousand Euros went to the Children’s Hospital in Parma).

Total Donations



DONATIONS TO FEEDING AMERICA



DONATIONS TO THE FOOD BANK

DONATIONS TO OTHER ASSOCIATIONS

Educational and Social Commitments

Barilla undertakes to make its contribution to one of the greatest global food challenges, namely the presence in today's world of a billion obese People and a billion malnourished People, also increasing knowledge.

Barilla proposes to play its part through education and support, in order to correct this inequality.

- FOR PROBLEMS LINKED TO A **SURFEIT OF FOOD** (OBESITY AND EXCESS WEIGHT), BARILLA INTENDS TO SUPPORT **PROGRAMMES AND INTERVENTIONS THAT CREATE WELLBEING** TO FOSTER CORRECT HEALTHY LIFESTYLES FOR CHILDREN OF TODAY AND THE FUTURE, THROUGH APPROPRIATE DAILY CHOICES IN TERMS OF FOOD, MOTOR MOVEMENT AND THE ENVIRONMENT.
- FOR PROBLEMS LINKED TO **ACCESS TO FOOD**, BARILLA INTENDS TO **CULTIVATE COLLABORATIONS WORLDWIDE** THAT CAN BECOME INVOLVED LOCALLY TO SUPPORT THOSE WHO LACK FOOD.



Product Donations and Collaboration with the Food Bank

“ With respect to those who eat too much or too little, on the other pan of the Food Scale there are those who have no possibility of eating as they should and who live constantly with undernutrition. Frequently, these situations of nutritional poverty may be found not that far away. ”

[Food Bank]

The FBAO (Non-profit Food Bank Foundation) is an organisation founded in line with the American Food Bank organisation (in operation since 1967). In Italy the FBAO was born in 1989, from an idea of Danilo Fossati, head of the Star food group, and Don Luigi Giussani.



Our Group is well aware that on the market there are food **SURFEITS** throughout the supply chain, in which Barilla is involved, that can become **WASTE**. This is **FOOD OF VALUE** that can be donated to those who cannot find any for the moment or, unfortunately, forever.

Recovery of surfeits represents one last virtuous mile in the supply chain, which goes towards boosting the trust and positive expectations of People and clients. In addition it avoids the costs and consequences of disposal for the community, offering added value both for the needy, direct beneficiaries of the donations, and the community as a whole, which can allocate its funds for other activities.

IN 2011, BARILLA'S PLANTS DONATED TO THE FBAO (NON-PROFIT FOOD BANK FOUNDATION), A QUANTITY OF PRODUCE EQUAL TO 1,070 TONS.

Starting from 2012, Barilla has strengthened its alliance with the Food Bank Foundation by promoting company voluntary service projects, optimizing the work of recovering food surpluses via the Siticibo programme (programme to recover food not consumed in its canteens), giving instructions to plants outside Italy which wish to donate products through the European Foundation of Food Banks, developing activities in collaboration with retailers, and raising public awareness.

The **FBAO** mission is to daily recover food surpluses from the entire agri-food supply chain to distribute them to charitable organisations in Italy. The **FBAO** together with another **21 FOOD BANK ORGANISATIONS**, operating in Italy, make up the **FOOD BANK NETWORK**.

The FB Network also includes 1 logistics platform in Parma, **1,500 VOLUNTEERS** who daily donate their time at the Network's branches, **118 STAFF** and **69 VEHICLES**.

In **2011**, the **FBAO** recovered over **58,000 TONS** of foodstuffs and also collected during the **NATIONAL FOOD COLLECTION DAY**, organised every year on the last Saturday of November, **9,600 TONS** of foodstuffs, to then distribute these to over **8,600 CHARITABLE ORGANISATIONS** across Italy, helping **1,700,000 NEEDY PEOPLE**.



2.

COMPANY

MANAGEMENT

IN THIS CHAPTER
YOU WILL FIND
INFORMATION ON HOW
BARILLA IS ORGANIZED
TO PERFORM ITS
MISSION AND ACHIEVE
THE OBJECTIVES THAT
IT HAS SET.

[Management]

Barilla's management is consistently reasserting the commitments and responsibilities that should inform the conduct of business and corporate activities.

1.
BARILLA AND ITS
WAY OF DOING
BUSINESS

TOWARDS A
SUSTAINABLE AND
INTEGRATED SUPPLY
CHAIN. FROM FIELD
TO FORK

 2.
**COMPANY
MANAGEMENT**

3.

4.

TOTAL QUALITY
IS SUSTAINABLE
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5.

MORE CHOICE
AND MORE
KNOWLEDGE FOR GOOD
NUTRITION

“ There are three ingredients for success for companies that want to create long-lasting value: the first is the management of corporate culture; the second governance systems that go beyond “corporate governance” to protect strategic effectiveness and management efficiency; and the third, leadership. ”

Manfredo Manfredi,
Barilla Group CEO from
1971 to 1991 and current
member of the Board.

GROUP GOVERNANCE

The Barilla Group consists of approximately **50 companies controlled**, either directly or indirectly, by the Parent Company **Barilla Holding S.p.A.** headquartered in **Parma, Italy**.



The Company has adopted a “traditional” system of management and control, with a Board of Directors and a Board of Auditors both appointed by the Shareholders' General Meeting. The Board of Directors (BoD) is the corporate body with the most extensive powers for ordinary and extraordinary management, except those that, pursuant to the law or to the Articles of Association, are reserved to the Shareholders' General Meeting, which is in charge of:

- management direction;
- assessing adequacy of the organizational, management and accounting structure;
- assessing general performance.

The current BoD consists of four Directors, whose term of office expires on the date of the next Shareholders' General Meeting convened to approve the Annual Report for 2011. The Board of Auditors oversees compliance with the law and the Articles of Association, as well as with the principles correct administration. Its members are appointed with a term of office of three years and may be re-elected. The current Board of Auditors consists of three Standing Auditors and two Alternate Auditors, whose term of office expires on the same date as that of Directors. The Statutory Audit of the Accounts is carried out by PricewaterhouseCoopers in 2011.

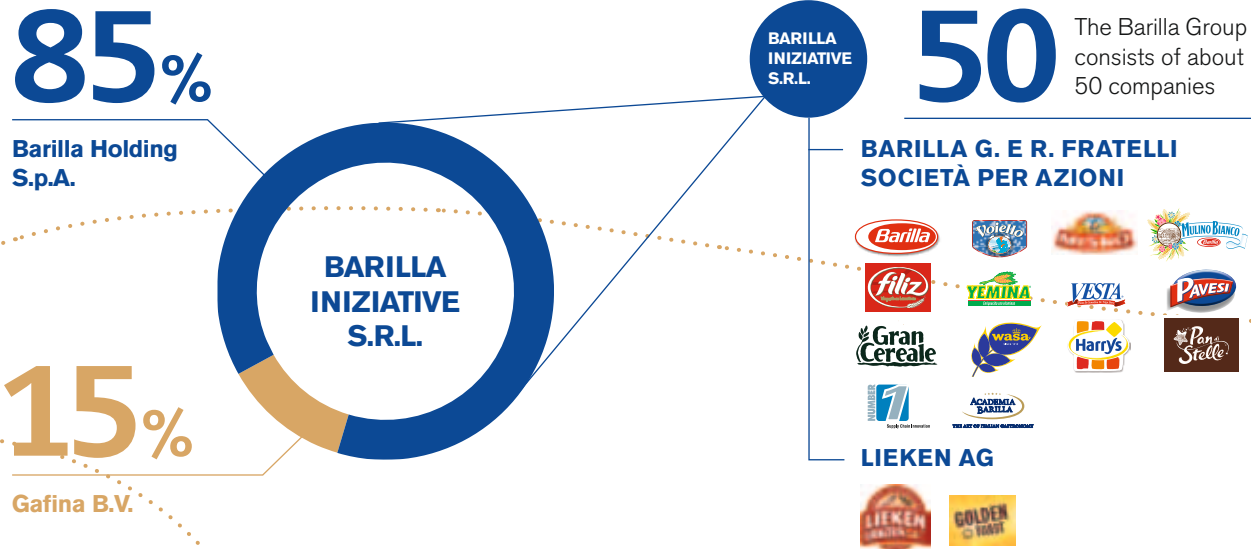
THE **CHAIRMAN GUIDO BARILLA** IS VESTED WITH THE POWERS TO SUPERVISE IMPLEMENTATION OF BOARD RESOLUTIONS AND CORPORATE STRATEGIES, AS WELL AS FOR THE LEGAL REPRESENTATION OF THE COMPANY WITH THE TWO DEPUTY CHAIRMEN, **LUCA AND PAOLO BARILLA**.

Equity investments in operating companies are held indirectly through **BARILLA INIZIATIVE S.R.L.**, the **85% OF WHICH IS HELD BY BARILLA HOLDING S.P.A. AND 15% BY GAFINA B.V.** THE GROUP'S ORGANIZATIONAL STRUCTURE IS BASED ON TWO OPERATING COMPANIES, **BARILLA G. E R. FRATELLI SOCIETÀ PER AZIONI** AND **LIEKEN AG**, WHOLLY-OWNED SUBSIDIARIES.

Governance of the main Italian subsidiaries is designed consistently with the environment in which they operate and, for foreign companies, it always refers to local legislations.

THE MANAGEMENT OF **BARILLA G. E R. FRATELLI SOCIETÀ PER AZIONI** AND OF ITS SUBSIDIARIES IS SIMILAR TO THAT OF BARILLA HOLDING S.P.A. THE INTERNAL CONTROL SYSTEM AND THE ORGANIZATIONAL, MANAGEMENT AND CONTROL MODEL OF THE COMPANY, PURSUANT TO ITALIAN LEGISLATIVE DECREE 231/2001 ARE MORE SPECIFIC. THE BOARD IS CHAIRED BY GUIDO BARILLA AND CONSISTS OF 9 DIRECTORS.

Shareholding and Controlled Companies



Governance Objectives as to 2014

Update of the **Code of Ethics** and definition of a **Code of Conduct** allowing the principles and values set by **Code of Ethics** to be translated into practical instructions.

Developing an overall integrated view of the sustainability risks within company processes.

Management Principles and Respect for the Rules

Barilla's management is consistently reasserting the commitments and responsibilities that should inform the conduct of business and corporate activities by all those who have relationships of any nature with Barilla, and, in order to achieve the set success target, bases its activities on **MANAGEMENT PRINCIPLES** shared by all those working within its global organization, such as:

- *Honesty and Transparency.*
- *Social Responsibility.*
- *Centrality of People.*
- *Employees' Rights.*
- *Environment Preservation.*

The Model 231

Barilla has adopted a model of organization, management and control of the Company in accordance with the provisions of Decree Law 231 of 2001. The Model includes specific procedures and controls aimed at preventing offences envisaged by the above Decree which could be committed by Directors, Auditors, managers, employees, or all those who have contractual, financial or business relationships with Barilla. On October 26, 2011 the BoD approved a new version of the Model, designed to adjust to the most recent regulatory and organizational developments.

The Model consists of a **GENERAL SECTION** that summarizes accountabilities, offences and the relevant penalties, behaviours that relieve from accountability, and ten **SPECIAL SECTIONS**, which list the areas potentially at risk with respect to offences and establish rules of conduct for those working in these areas, as well as the relevant monitoring procedures.

The **CODE OF ETHICS** is an integral part of the Model and refers to the "**UNIVERSAL DECLARATION OF HUMAN RIGHTS**", the International Labour Recommendations and Conventions issued by the **INTERNATIONAL LABOUR ORGANIZATION (ILO)**, the "**EARTH CHARTER**" and to the **GLOBAL COMPACT** of the **UNITED NATIONS** principles.

THE SUPERVISORY BOARD (SB) consists of the heads of the **Group Legal and Corporate Affairs and Group Internal Audit**, and of an external member, who is a university lecturer and self-employed professional. The three members of the SB will be in office until January 31, 2014. The SB assesses the Model adequacy and effectiveness and oversees its implementation, reports to the BoD every six months and receives notices and suggestions from employees.

Conflict of Interests

Conflict of interest is a very sensitive issue in the field of corporate management, since it affects impartiality of the decision making process and jeopardizes full protection of the Company's interests to the benefit of personal profit.

To ensure maximum transparency, corporate officers and other people or entities having an objective opportunity to influence the Company's decisions, must absolutely refrain from using their positions, even implicitly, to influence Company decisions in such a manner that would benefit themselves, their relatives, friends and acquaintances for personal reasons, of whatsoever nature.

All Barilla employees are required to report any situations in which they have or suppose to have a personal interest, either on their own behalf or on behalf of a third party, conflicting with the interests of the Company. This report shall be addressed to their immediate superior, the **Board of Directors**, the **Board of Auditors** and/or the **Supervisory Board**, in compliance with the provisions of the Italian Civil Code.

[Priority Risks]

In 2011, specific projects were implemented, which were designed for the assessment of priority risk areas:

- **Volatility of raw material prices** (in the first place, durum and common wheat) focusing on the combination of physical and financial hedges, and the provision of tools to measure and assess their effectiveness.
- **The analysis of production stoppage risk** measured based on the mapping of the products that are the most important for the Company, identifying alternatives and available production capacities, as well as proposing technical solutions to minimize the occurrence of critical phases in the production and distribution networks of the Group.
- **Mitigation of the risk of business conducts not in line with the Global Governance** by establishing common and shared policies.
- **The analysis of risks and impacts** on corporate performance and business models resulting from macroeconomic stress scenarios in the main geographies where the Company operates.

Risk Management

In 2011, the **CORPORATE RISK MANAGEMENT** project continued. The objective is to provide the Corporate Management with a tool to verify that the current risk level of the Group is in line with its accepted level of exposure. The Company has defined its accepted level of risk exposure and metrics shared across the Company for the measurement and assessment of each risk event.

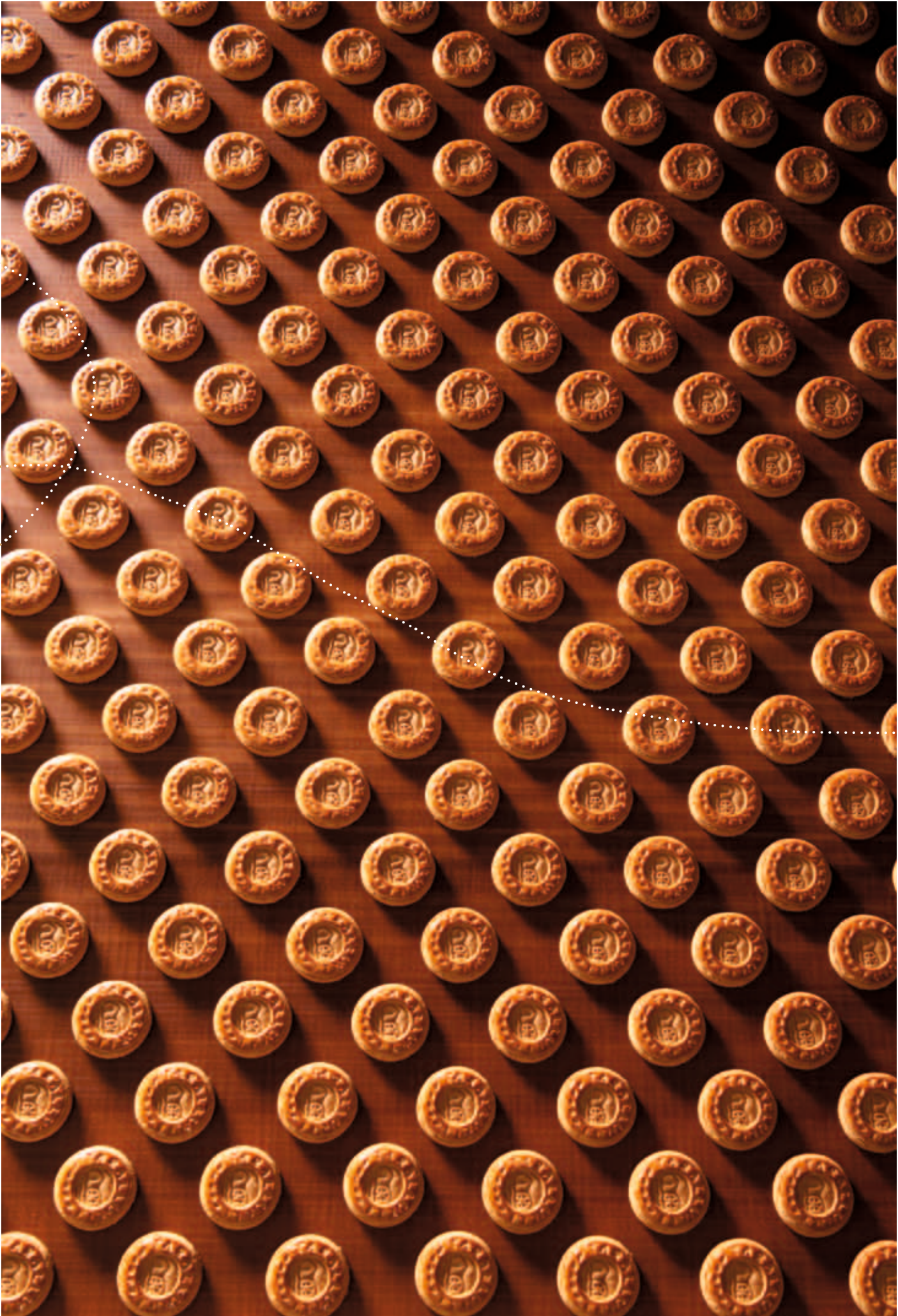
Moreover, the adoption of a **CORPORATE RISK REGISTER** has allowed identification of the risk areas to which the company is exposed and the allocation of management responsibilities for each identified risk to the relevant organization departments.

Risk **MAPPING** covers many key aspects of the Group's sustainable business, including possible risks relating to the management:

- of **HUMAN CAPITAL**, including people's health and safety.
- of the **SUPPLY CHAIN**.
- of **ENVIRONMENTAL ISSUES**.
- of the relationship with **CUSTOMERS** and **PEOPLE**.
- of relations with some key stakeholders, including **MEDIA** and **PUBLIC OPINION**.
- of the **INFORMATION TECHNOLOGY** area, for which the Group has a disaster recovery service in place for the majority of its applications, in particular those critical to operations.
- **REPUTATIONAL RISKS** are included in the Model.



Please, see the **2011 Annual Report** on the Group website www.barillagroup.com for a breakdown of the different types of risk to which the Company is exposed: market (including currency risk, interest rate and price risks), credit, liquidity and management risks.



[FOCUS]

Barilla in the International Food Sector Scenario

In 2011, the Barilla Group sales volumes were in line with the previous year, with price increases lower than inflation.

The international crisis in progress for some years now, in 2011 had harsh consequences also for the food industry. Growth rates declined as well as households' available income, along with the overall level of confidence of global markets.



In Italy, political instability, rising unemployment

in particular youth unemployment, low growth rate and increased fiscal pressure caused a decrease in consumption. Also in 2011, the upward trend continued in all commodity prices, oil in the first place, with its cascade effect.

The continuing growth in demand for agricultural products resulting from various factors, including new consumption of emerging countries, use of resources for animal feeding, competition between agriculture and biofuels, combined with the inability to meet such demand, caused a decrease in available agricultural products, with significant price increases (see also **[FOCUS] Some Paradoxes in Food and Nutrition**).

The marked and ongoing volatility of prices, which results from the important role of financial players, as well as from national trade policies, such as duties and subsidies, has affected this situation.

In this scenario, in 2011, the Barilla Group sales volumes were in line with the previous year, prices were essentially stable and profit margins decreased, since global demand for raw materials was not excessively limited by Europe's non-growth and continued its highly floating trend.

The new products put on the market were well received by People, who appreciated their quality and technical innovations, but their high price range has prevented, for the moment, their large-scale success. High-price niche products performed well, but the relating volumes were rather small. The reduction in consumption, including food, due to the decrease in households' purchasing power, is the most worrying aspect of the crisis, since it affects primarily the middle segment of consumers, whom the majority of Barilla products are targeted to.



Consolidated Sales 2011

3,916 million of euro

Vs 2010 (4,029 million). With respect to the same perimeter (excluding the sales of subsidiaries disposed of in 2010), sales were stable. Moreover preliminary data of the first quarter of 2012 report a slight increase in sales over the same period of 2011.

This adds to the intensification of competition in distribution: the increasing scale of promotional sales specifically focused on certain categories and the "price war" between large retailers are the obvious expression of tensions in a sector that is less and less a neutral "bridge" between manufacturers and People, as well as more and more a key player with an independent business strategy.

This increased complexity has called for a stronger commitment of the Group, focused on:

- 1. New significant investments to search for new efficiencies and to reduce production and structure costs.**
- 2. Protection of sales volumes, accepting the challenge of competitive pricing, with the support of new promotional actions for customers.**
- 3. Absorption by sales margins of changes in raw material costs, without transferring the latter on consumer prices.**

The New Organizational Structure



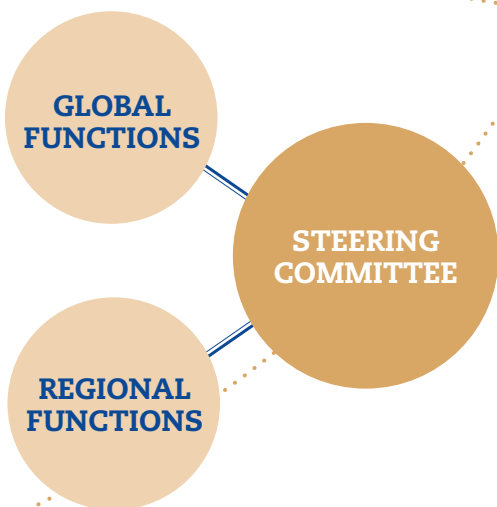
Since **NOVEMBER 1, 2011** Barilla has adopted a new organizational architecture, with the aim of:

- enhancing the Group's **INTERNATIONALIZATION** process;
- providing the units working on the markets with all levers to achieve the Company **GROWTH** objectives;
- ensuring efficient and effective coordination to all process units.

Following the resignation of Massimo Potenza from office as **CHIEF EXECUTIVE OFFICER** of the Company in November 2011, the new organization is responsible for the implementation of the Group strategy.



The new organizational architecture of the Barilla Group is divided into:



GLOBAL FUNCTIONS: Process units that are engaged in a completely centralized management and are responsible for ensuring central management by defining global strategies, guidelines, processes and key performance indicators for all Units managed.

REGIONAL FUNCTIONS: Market and Regional Units that are engaged in peripheral management of processes, programs, systems, resources, and key performance indicators.

In the first few months of 2012, subsequent to the implementation of the new organizational architecture, a new organizational Handbook was issued, which describes the logics, interrelationships and responsibilities of the Company management at all levels.

The persons in charge of **Global, Market and Regional Functions** make up the **Steering Committee**, which performs its activities consistently with the direction given by Guido, Luca and Paolo Barilla. The Steering Committee meets weekly to discuss issues on the agenda, including sustainability ones.

The Sustainability Organizational Model

Sustainability is recognized by Barilla as an all-encompassing driver to pursue strategic corporate objectives.

Therefore, the Company Sustainability management system has been designed:

- to ensure constant **EXCHANGE** between the inside and the outside; in other words, between the Company and its stakeholders;
- to ensure transversality, integration and maximum sharing at **ALL LEVELS** of the organization.

Exchange with the World



The **UNITED NATIONS GLOBAL COMPACT** is the largest voluntary initiative in the world for the promotion of sustainability.

It was launched in 1999 by former Secretary General of the **United Nations Kofi Annan** and is now led by his successor **Ban Ki-Moon**. Barilla is certain that participation in **UN Global Compact** will provide an important opportunity to share its path on the issues of sustainable development with other companies, institutions and civil society organizations. At the same time, it believes that exchange can enhance the Company's ability to create long-lasting value, for example by cooperating with its supply chain, as well as to be better able to understand People's needs in all the Countries where it operates.

As a member of the UN Global Compact, Barilla has also undertaken to support the **GLOBAL COMPACT NETWORK ITALY**.



The **CONSUMER GOODS FORUM** is a network gathering more than four hundred companies belonging to the manufacturing, large-scale retail and services sectors.

Barilla is part of several networks and organizations dedicated to sustainability issues. Since 2008, the Company has been a member of the **SUSTAINABILITY STEERING COMMITTEE** of the **CONSUMER GOODS FORUM**.

The 2°C Challenge Communique

*In 2011, Barilla joined the **2°C CHALLENGE COMMUNIQUE**, an international initiative involving entrepreneurs from all over the world, committed to attract the attention of national governments to ensure a successful transition to sustainable growth and an economy that takes into account climate change.*

www.theconsumergoodsforum.com

www.unglobalcompact.org

www.globalcompactnetwork.org

www.2degreecommunique.com

Parties Involved in the Sustainability Model			Activities in 2011
PLAYER	DESCRIPTION	OBJECTIVE	
Barilla Nutrition Advisory Board	It defines nutritional guidelines for Barilla products.	Allowing reformulation of existing products and formulation/screening of new products.	6 University Professors involved as experts 4 meetings (2 operating ones and 2 strategic ones with the corporate top management).
Barilla Laboratory for Knowledge & Innovation	It develops training on sustainability issues.	Spreading and disseminating a "sustainability culture" at all levels of the organization.	2,538 hours of training on sustainability issues were provided 300 people involved in Italy.
Stakeholders' Permanent Panel	Convened twice a year, it issues its opinion on the Company sustainability path.	Providing the company with constant exchange on sustainability issues with a structured representation of stakeholders.	2 meetings for a total of 160 participants.
Barilla Center for Food and Nutrition	It outlines and explores the global scenario of food and nutrition.	Contributing to inspiration and training of the Company People. Building knowledge and awareness on food and nutrition issues.	See dedicated paragraph in "Barilla and its way of doing business."

Stakeholders / Level / "Organization Control Function"


 International  National  Local

Media/    / Communication and External Relations Department

Scientific Community/    /Scientific Relations Unit - Research, Development and Quality Department

Institutions/    / Institutional Relations Unit

NGOs and Civil Society/    / Sustainability and NGOs Relations Unit - Institutional Relations Unit

Barilla People/    / Internal Communication Unit

Trade and Retailers /    / Market Unit Europe - Regional Managers

Consumers/    / BDI & Marketing Department - Regional Managers - Research, Development and Quality Dep.

Local Communities/  / Operations & Supply Chain Department - Regional Managers - Plant Managers

Suppliers/    / Operations & Supply Chain Department

Universities and Research Centres/    / Research, Development and Quality Department - Scientific Relations Unit
Barilla Lab - Talent Attraction Unit

Finance World/    /Administration and Finance Department

Managing Sustainable Business

Barilla's organizational model assigns responsibility for the management of Sustainability issues to **CORPORATE TOP MANAGEMENT**, i.e. to the Shareholders and the Steering Committee, which includes top managers (Directors and Regional Managers). They are in charge of approving and reviewing objectives and strategic projects necessary to achieve such objectives, as well as of regularly assessing key indicators of progress.

Proposing objectives and projects, as well as monitoring and controlling Sustainability indicators are tasks assigned to the **SUSTAINABILITY OPERATING GROUP**, a standing group which includes all corporate functions.

In 2012, Barilla will complete its organizational model by:

- *defining **thematic guidelines** relating to some key sustainability themes that are not yet regulated by the internal regulatory system (such as “relations with stakeholders” and “relations with local communities”).*
- *allocating **specific responsibilities** to the functions in charge of the implementation of projects that are strategic to achieve Sustainability objectives, associated to the Management by Objectives corporate system.*

**The Sustainability
Operating Group***
Functions /
Parties involved

BARILLA CENTER FOR FOOD AND NUTRITION

HUMAN CAPITAL

BARILLA LABORATORY FOR KNOWLEDGE & INNOVATION

INTERNAL COMMUNICATION

ADMINISTRATION AND FINANCE

INTERNAL AUDIT

MARKET UNIT EUROPE

BRAND DEVELOPMENT, INNOVATION AND MARKETING

OPERATIONS

QUALITY

RELATIONS WITH THE SCIENTIFIC COMMUNITY

RESEARCH AND DEVELOPMENT

RISK MANAGEMENT

HEALTH, SAFETY, ENVIRONMENT & ENERGY

SUPPLY CHAIN

*The operating group is coordinated by the **SUSTAINABILITY UNIT**, which operates within the **COMMUNICATION AND EXTERNAL RELATIONS DEPARTMENT**, enhanced in 2011. The Sustainability Unit is also responsible for the internal and external communication on sustainability issues and for the relationship with civil society organizations (NGOs).



For other relationships with the academic, research and school world, please see also chapter 3 “**Towards a Sustainable and Integrated Supply Chain. From Field to Fork**”, chapter 4 “**Total Quality is Sustainable Quality**”, chapter 5 “**More Choice and More Knowledge for Good Nutrition**”.

Financial Highlights of the Group

The tables show the **consolidated** financial highlights of the year.
All data are expressed in millions of Euro.

Consolidated Sales

2011	2010
3,916	4,029
-2.8%	
Vs. 2010 (4,029 million). With respect to the same perimeter (excluding the sales of subsidiaries disposed of in 2010), sales were stable.	

Recurrent Gross Operating Profit (EBITDA)

2011	2010
477	556
Recurring EBITDA is earnings before interest, taxes, depreciation, amortization and non-recurring costs; it is often associated to gross operating margin. EBITDA is very similar to the value of the cash flows produced by a company, and, therefore, represents the most significant indicator in order to assess its value.	
In 2011, the EBITDA to sales ratio was 12.2%, while in 2010 it was 13.8%.	

Payment of Dividends and Distribution of Reserves

2011
82

Interest Paid

2011
36

Staff Expenses

2011	2010
711	742
These include all expenses relating to employees and temporary workers. The amounts refer to wages, to paid overtime, bonuses and incentives, productivity, health insurance and supplementary insurance and employee severance benefits.	

Recurrent Operating Income (EBIT)

2011	2010
296	358
Recurring EBIT is earnings before interest, taxes and non-recurring costs (writedowns of property, plant and equipment and intangible assets); it is often associated to net operating margin. It identifies operating income, i.e. the income that the company is able to generate before return on capital, with the latter term including both own capital (equity) and borrowed capital (debt).	
In 2011, the EBIT to sales ratio was 7.6%, while in 2010 it was 8.8%. In 2011, depreciation of property, plant and equipment and amortization of intangible assets totalled €181 million (€198 million in 2010).	

Earnings Before Taxes

2011	2010
176	185
This is calculated as the difference between EBIT plus extraordinary income, and extraordinary and financial expenses.	



* Financial Needs

The three boxes below represent the main methods through which the Barilla Group meets its financing needs. For more information, please refer to the Explanatory Notes in the **2011 Annual Report**.

Consolidated Profit or Loss

2011	2010
76	27

The profit was affected by impairment writedowns of intangible assets and extraordinary expenses for about €80 million. The consolidated profit (net of the portion attributable to minority interests) came to €63 million versus €21 million in the previous year. The profit for the year attributable to minority interests was approximately €13 million.

* Net Indebtedness

2011	2010
688	683

For the relevant breakdown, please refer to the Explanatory Notes in the **2011 Annual Report**.

Short-Term Financial Assets

2011	2010
110	268

For more information, please refer to the Explanatory Notes in the **2011 Annual Report**.

* Revolving Credit Facility

2011
850

Entered into in June 2011 by and between Barilla Initiatives Ltd., Barilla G. e R. Fratelli Società per Azioni, and Barilla France SA on the one hand, and a group of 12 leading international banks on the other, it has a five-year duration. As at December 31, 2011, this credit facility was used for a total of €380 million.

Current and Deferred Taxes

2011	2010
100	137

The tax rate, excluding the effect of negative extraordinary items, came to 39%, vs. 41% in 2010.

* Debenture Loans (\$ million)

2011	2010
472	272

These were issued by Barilla France SA, placed with institutional investors in the United States in December 2008 and July 2011; they were divided into several tranches (with maturities between 2013 and 2023 as detailed in the Explanatory Note in the **2011 Annual Report**). These debenture loans, including the related hedging derivatives valued at mark-to-market, amounted to a total of €388 million at the year-end.

Non-Financial Highlights of the Group

The tables show the 2011 highlights of Barilla G. e R. Fratelli Società per Azioni relating to the following areas: nutrition, health and human capital, supply chain, environment, community, corporate management, People and education.

2011 Investments in the Community (€ million)

0.587

Investments in the community included social expenses (€279 thousand), such as donations to non-profit organization and sponsorships of social, theatrical and sport events, fairs, exhibitions and festivals, as well as social investments (€308 thousand), such as the expansion of car parks outside the Company plants, the construction of underpasses and cycle paths, and reforestation activities.

NUTRITION - Reformulated Products

TOTAL 111 Reformulated products since 2008. 103 in the last three years (2009-2011), of which 70 in 2011.	2011 70	with reduced salt content: 57 with reduced fat and saturated fat content: 10 with increased content of nutrients (minerals, vitamins, omega 3): 3
	2010 29	with reduced salt content: 25 with reduced fat and saturated fat content: 3 with increased content of whole grains and fibres: 1
	2009 4	with reduced sugar content: 3 with increased content of whole grains and fibres: 1

NUTRITION - 2011 Total Sales Percentage

8.5%	141,000 tons of reformulated products were sold, amounting to 8.5% of total sales. This figure posted a 5.5% increase compared with 2010.
-------------	-------------------------------------------------------------------------------------------------------------------------------------------

NUTRITION - Nutritional Research

4.8 € million	Financial resources dedicated in the last three years to nutritional research, scientific studies on nutrition, conferences and circulation of scientific results.
-------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------

SUPPLY CHAIN - 2011 Percentage of Durum Wheat Grown Locally

TOTAL 81%	Italy 71%	81% of the durum wheat used in various brands of the Group is grown locally, i.e. in the pasta producing country. The breakdown by country is the following: <ul style="list-style-type: none"> • Italy: 71% • Greece: 81% • Turkey: 100% • Mexico: 100% • North America: 100% (32% USA; 68% Canada)
	Turkey - Mexico - North America 100%	
	Greece 81%	

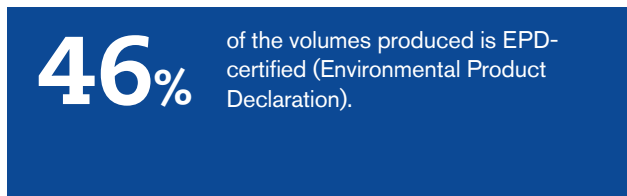
SUPPLY CHAIN - 2011 "Critical" Raw Materials



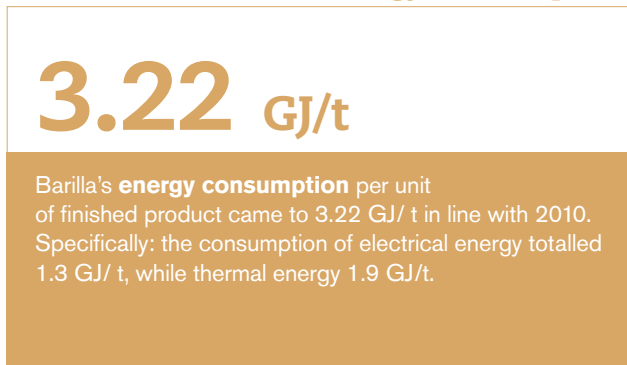
SUPPLY CHAIN - Suppliers of "Critical" Raw Materials

In 2010, Barilla completed the audit of all the African processing plants of the main supplier of cocoa and started these audits for new suppliers. For 2012 three audits have been scheduled to assess 100% of suppliers.

ENVIRONMENT - 2011 Environmental Product Certification



ENVIRONMENT - 2011 Energy Consumption

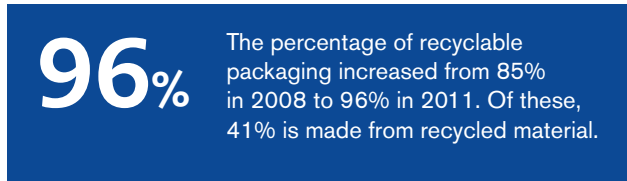


SUPPLY CHAIN - Raw Materials

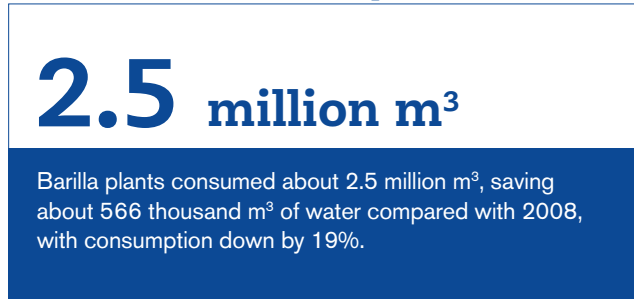
2011 - Quantities in thousands of tons

Semolina 1,000	Flour 340
Rye 50	Sugar 50
Vegetable fats 45	Tomato 39
Eggs 23	Cocoa 9
Dairy products 8	Animal fats 7

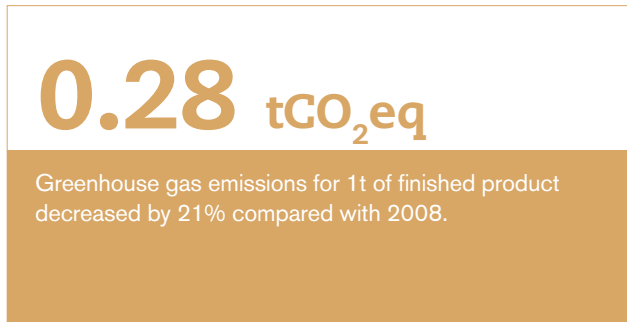
ENVIRONMENT - 2011 Recyclable Packaging



ENVIRONMENT - 2011 Total Water Consumption



ENVIRONMENT - 2011 Greenhouse Gas Emissions



ENVIRONMENT - 2011 Environmental Audits



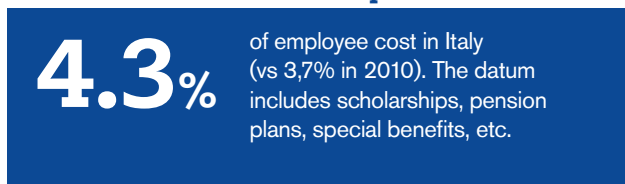
SAFETY - 2011 Frequency of Accidents



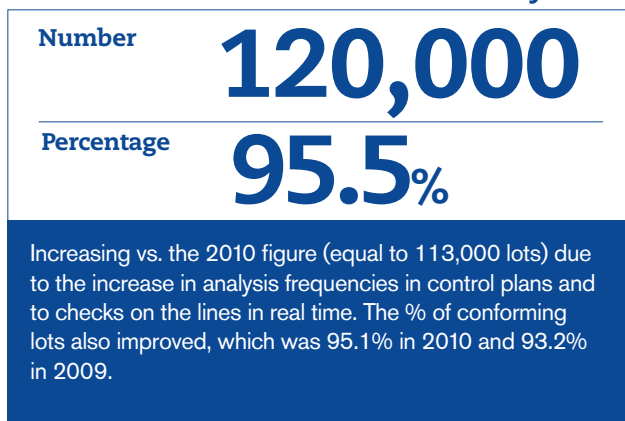
HUMAN CAPITAL - 2011 Turnover

Turnover rate calculated on the number of terminations over the total number of staff with open-ended employment contracts (resignation, dismissal, retirement, death) in Italy: 9% executives; 4.4% managers; 4.7% clerks; 5.2% salesmen; 5.3% workers. Sweden: 19%, Norway: 0.0%, Russia: 0.5%; Turkey: 10.1%.

HUMAN CAPITAL - 2011 Expenditure on People Care



PEOPLE - 2011 Finished Product Analysed



HUMAN CAPITAL - 2011 Expatriates

11 people were seconded abroad (4 to Sweden, 3 to France, 2 to the U.S., 1 to Germany) with a 6.6% increase vs. 2010.

HUMAN CAPITAL - 2011 Vacancies



SAFETY - 2011 Severity of accidents



PEOPLE - 2011 Product Quality and Safety



PEOPLE - 2011 Products with Nutrition Facts

88%

% of products with detailed nutrition facts (on the package and on the website in accordance with current regulations) out of total products marketed. Slightly increasing compared to 2010.

COMMUNITY - 2011 Jobs and Plants

Number of jobs

8,766

Number of plants

41

8,766 people work directly for Barilla in 41 production sites in 9 countries (Italy, Greece, Turkey, France, Germany, Sweden, Russia, USA and Mexico).

COMMUNITY - 2011 Indirect Economic Impacts

710 indirect employees in manufacturing.
209 employees and 16 agents in the Italian sales force, employing 309 subagents all over Italy.
360 hostess/merchandisers engaged at points of sale.
1,050 people who work indirectly for Barilla in logistics.

COMMUNITY - 2011 Educational Programmes

Number of people involved in educational programmes.

Casa Barilla

200,000

Mulino Bianco Tour

220,000

Giocampus

30,000

Giocampus School

7,500

Giocampus Snow

262

Giocampus Lab

7,500

COMMUNITY - 2011 Donations and Product Giveaways

Over 1 million 800 thousand Euro were donated (out of which 1 million 430 thousand Euro went to the Children's Hospital of Parma). Moreover, in Italy, over €3 million worth of products were given away for free.

GOVERNANCE - 2011 Breaches of the Code of Ethics

0

Number of breaches of the Code of Ethics.

GOVERNANCE - 2011 Human Rights

11

Audit SA8000 and other audits relating to human rights on suppliers of promotional items in the year.

IN THIS CHAPTER
YOU WILL DISCOVER
BARILLA'S ACTIVITIES
IN RELATION TO
THE ENTIRE SUPPLY
CHAIN. THIS IS A
JOURNEY THROUGH
OUR PRODUCTS
FROM FIELD TO FORK.

3. TOWARDS A SUSTAINABLE AND INTEGRATED SUPPLY CHAIN. FROM FIELD TO FORK

1.
BARILLA AND ITS
WAY OF DOING
BUSINESS

TOWARDS A
SUSTAINABLE
AND INTEGRATED
SUPPLY CHAIN.
FROM FIELD
TO FORK

2.
COMPANY
MANAGEMENT

3.

4.
TOTAL QUALITY
IS SUSTAINABLE
QUALITY

BARILLA STORIES

5.
MORE CHOICE
AND MORE
KNOWLEDGE FOR GOOD
NUTRITION

[Sustainable]

Sustainable agriculture helps to conserve natural resources, contributes to environmental protection, it is appropriate for the reference context and is positive from an economic and social perspective.



Source: FAO 2011

[Integrated]

In an integrated supply chain the different players are involved in projects of long-term strategic partnerships, working closely with the company and in collaboration with each other.



THE INTEGRATED SUPPLY CHAIN

Seed producers, farmers, breeders, mills and plants.

[Food Supply Chain]

A sustainable, integrated food supply chain not only ensures the quality of the products served at the table, but also the development of all those involved in the processes, as well as all the areas impacted today and in the future.

The life cycle of a product - from field to fork, from raw materials to consumption - is a complex story with many players and protagonists.

Seed producers, farmers, breeders are the primary economic players that have always supplied the raw materials. The processing industry follows: mills and plants that process raw materials into food products, ensuring their quality, adequate health and nutritional properties. Large-scale and small retailers, through stores, offer products to People, ultimately the real protagonists of this story.

The key words of this story are **SERVICE TO PEOPLE, RESEARCH** and **ABILITY TO INNOVATE** to precede the evolution of social trends, choices and habits around the world.

“ Barilla’s mission is to bring well-being and the joy of eating to People through a portfolio of over **1,000 products** that cover all daily consumption moments, from breakfast to dinner. Doing so in a responsible way, involving all the supply chain players is what makes the business sustainable. ”



For more information on the supply chain visit www.barillagroup.com



To get an overview of one of Barilla supply chains refer to the **Pasta Supply Chain Insert**.

2011 Figures of Barilla Supply Chains

50

types of packaging materials

800

raw materials

1,200

suppliers worldwide

Supply Chain Targets to 2014

Measuring the overall Ecological Footprint of Barilla products in terms of Ecological Footprint, Carbon Footprint and Water Footprint.

Reducing the Ecological Footprint throughout the Barilla supply chain.

Developing and strengthening alliances with key suppliers of strategic raw materials and packaging for Barilla, aimed at ensuring security of supplies, quality and food production safety, and the respect of environmental/animal/human rights along the supply chain.

Increasing the activities of dissemination and training on the sustainable management model of Barilla throughout the supply chain to increase the involvement of farmers, institutions and business associations.

Evaluating the potential inclusion of biodiversity issues in the management of strategic supply chains (growing specifications).

Supporting employment potential in the agricultural sector from the perspective of land management, local development, cultural protection and promotion.

Including clauses on the protection of environmental and human rights within supply contracts, in accordance with the provisions of the UN Global Compact.

Increasing partnerships between Barilla and the distribution and retail worlds, to develop common activities based on the promotion of joint sustainability projects (in particular aspects of the agricultural supply chain, environmental protection, education).

140,000

tons of fresh tomatoes

1,400,000

tons of durum wheat

1,300,000*

tons of common wheat and rye

**this number includes Lieken AG*

600,000,000

eggs

more than 2,300,000

tons of products sold by the Barilla Group

[FOCUS]

Sustainability of Agricultural Models

Namely cultivating while taking into account economic, social and environmental aspects.

A sustainable agriculture means:

[Environmental]

In equilibrium with the natural environment (thanks to adequate profiles of productive efficiency) and able to withstand the impact of the effects of climate change.

[Social]

In harmony with the social contexts whose development they should support.

[Economic]

Able to ensure the economic sustainability of farmers, their ability to support investment and innovation, and access to global trading channels.

The variables affecting agriculture in terms of efficiency and sustainability are many. "Sustainable" refers to those farming practices characterized by **a theoretical and practical "system" approach**, where the **social, environmental, economic**, and research and development aspects are held together by growing models designed to produce healthy and good quality food.

Sustainable farming is based on scientific knowledge and established practices: crop rotation, careful use of fertilizers and plant protection products, rationalization of mechanical work, cultivation of a wide range of plant species, soil conservation and land protection.

The heritage of agronomic knowledge gathered by human beings is extraordinarily valuable and needs to be disseminated and enhanced.

To be sustainable, farming models must be tailored to the specific characteristics of the geographical, environmental and social conditions they are applied to.

Proper management of biodiversity and the coexistence of different production models can increase "resilience", i.e. the ability to adapt to adverse events.

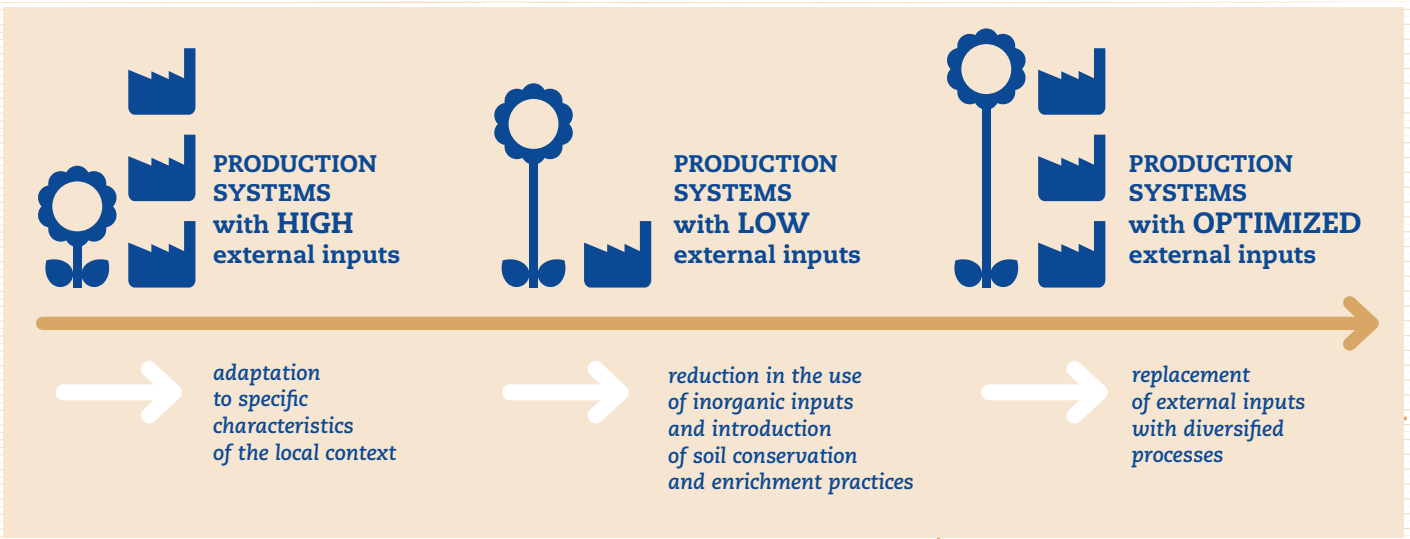
Investing in research and innovation means making agriculture more capable of adapting to change.

On the other hand, some of the problems that plague today's agricultural and agri-food system are unrelated to the choice of an agricultural model versus another, but are due to external factors: the case, for example, of possible conflicting uses of land for the production of food or biofuel, and waste, in some cases high, along the supply chain.

TRANSITION SYSTEMS

Transition to more productive and sustainable agricultural systems

SUSTAINABILITY  PRODUCTIVITY 



External Inputs with an Impact on Cultivation



For more details see the website www.barillacfn.com and the paper “New Models for Sustainable Agriculture” published by the Barilla Center for Food and Nutrition in November 2011.

SEE STRATEGIC DIRECTION 1:
BUILDING KNOWLEDGE

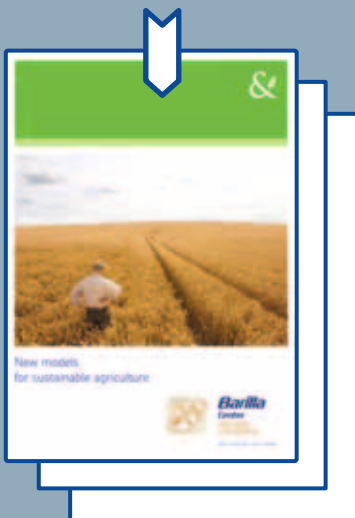
Sustainable Agriculture

The Barilla Group’s commitment to theoretical and applied research.

[4 Areas of Research of the BCFN]



FOOD FOR SUSTAINABLE GROWTH IS THE AREA DEALING WITH THE STUDY OF AGRICULTURAL PARADIGMS



“NEW MODELS FOR SUSTAINABLE AGRICULTURE”

BARILLA ALSO CARRIES OUT **THEORETICAL** AND **APPLIED RESEARCH** ACTIVITIES ON SUSTAINABLE AGRICULTURE TOPICS.

In 2011 the Barilla Center for Food and Nutrition, a centre of multidisciplinary analysis and proposals that is part of the Barilla Group, developed a study on the different agricultural paradigms, describing the economic, environmental and social implications of the various agricultural models.

WILL THERE BE ENOUGH FOOD IN 2050?

To provide tools for assessing alternatives for the future, thanks to its collaboration with the **Millennium Institute**, the **BCFN** developed a simulation model to evaluate the impact of various agricultural practices on the amount of food available in 2050. In particular, the model evaluated the impact of a sharp rise in oil prices on the agricultural system and the consequent availability of food worldwide.

SIMULATIONS BROUGHT TO LIGHT THAT:

- *in the future, as today, the problem will not be the absolute availability of food worldwide, but its fair and equitable distribution in different geographical areas and population groups.*
- *Sustainable agricultural models are much more “resilient”, i.e. have a better ability to adapt, and that’s why their adoption is recommended.*

An Example of Applied Research: Sustainable Cultivation of Durum Wheat

*A multidisciplinary study in progress since 2009
in collaboration with HORTA, University of Piacenza.*

[Grain]

Cereal grain.

[Greenhouse Gases]

The most important impacts are related to the use of nitrogen fertilizers during cultivation and mechanical operations in land work. Durum wheat growing requires operations that are relatively costly in terms of carbon dioxide production, such as ploughing, and a significant amount of nitrogen.

PURPOSE:

To identify the best sustainable farming systems applicable to the Italian production land, ensuring a high level of quality and food safety.

METHOD:

4 MACRO-AREAS have been identified where durum wheat is normally grown: the plains of Lombardy-Veneto, the Emilia Romagna region, Central Italy (Tuscany, Marche and Umbria) and Southern Italy and islands (Apulia, Basilicata and Sicily). For each macro-area the crop rotations normally used were compared with alternative crop rotations suggested by good agronomic practices.

SELECTED INDICATORS:

- **grain production:** the production of each crop, including durum wheat, was estimated for each crop system.
- **Carbon Footprint:** the amount of greenhouse gases (GHGs), expressed as mass of CO₂ equivalent.
- **Water Footprint:** volumes of water consumed during the production processes and due to natural evaporation of crops.
- **Ecological Footprint:** the land and sea production surface needed to regenerate the resources consumed by a human population and to absorb the corresponding waste.
- **gross income:** the difference between Gross Saleable Production and Production Cost of crops.
- **nitrogen use efficiency:** the amount of grain produced per unit of nitrogen distributed on the durum wheat crop.
- **DON risk:** index indicating the risk of contamination of the grain by mycotoxins developed by pathogenic fungi.

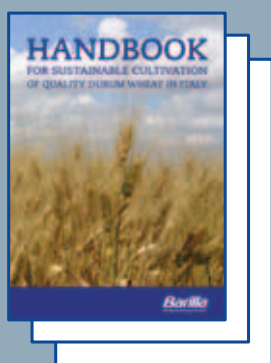
MAIN CONCLUSIONS:

- Assessment of the sustainability of a crop system through multidisciplinary analysis, combining various environmental, economic, agronomic and food safety indicators can clearly show in which areas and with what crop rotations you can get the best results.
- **The study found that in all parts of Italy proper application of traditional agricultural practices (including a rotation of different crops) ensures more sustainable production from an environmental point of view and improves farmers' gross incomes.**



The Barilla Decalogue for the sustainable cultivation of quality durum wheat in Italy is made to illustrate the project results to farmers.

[Decalogue]



1. Alternate crops (include durum wheat in a favourable crop rotation).
2. Work the land while respecting it.
3. Use the best variety to sow in relation to the distributional area.
4. Use only certified and dressed seeds.
5. Sow at the appropriate time.
6. Use the right amount of seeds.
7. Cull weeds in a timely manner.
8. Meter nitrogen fertilizers according to plant needs.
9. Protect the plant from disease.
10. Extend sustainability to farms.

Enriched by numerous practical trials, the paper attaches great importance to the adoption of favourable crop rotations, to the efficient use of resources and the proper use of technical means. The project envisages the implementation of pilot crops in different areas of Italy during 2012.

In 2011 a similar study to that performed on durum wheat in Italy was carried out in Germany for Common Wheat. Based on the experience gained from these activities, an international project was launched to identify crop systems that can be considered more sustainable for strategic grains: **DURUM WHEAT, COMMON WHEAT** and **RYE**, but also **TOMATO** in various countries: **ITALY, FRANCE, GREECE, TURKEY, GERMANY, SWEDEN, CANADA** and **USA**.

APPLYING THE CORRECT CROP ROTATION GREENHOUSE GAS EMISSIONS CAN BE REDUCED BY UP TO 55% (EQUAL TO -390 KG OF CO₂ EQ / T CULTIVATED DURUM WHEAT), RAISING THE GROSS INCOME OF FARMERS.

Crop Rotation in the 4 Macro Areas

1. PLAINS OF LOMBARDY-VENETO

CORN BASED* corn / durum wheat / corn / corn

BASED ON INDUSTRIAL CROPS soy / durum wheat / sorghum / common wheat

2. EMILIA ROMAGNA

CEREAL BASED* corn / durum wheat / sorghum / common wheat

BASED ON INDUSTRIAL CROPS soy / durum wheat / corn / common wheat

VEGETABLE BASED tomato / durum wheat / corn / common wheat

3. CENTRAL ITALY

CEREAL BASED* durum wheat / durum wheat / sorghum / common wheat

PROTEIN BASED protein pea / durum wheat / sorghum / common wheat

FORAGE BASED alfalfa / alfalfa / alfalfa / common wheat

BASED ON INDUSTRIAL CROPS sunflower / durum wheat / rape / durum wheat

4. SOUTHERN ITALY AND ISLANDS

CEREAL MONOCULTURE* durum wheat / durum wheat / durum wheat / durum wheat

FORAGE BASED forage / durum wheat / forage / durum wheat

* Standard rotation of crops normally adopted in each area.



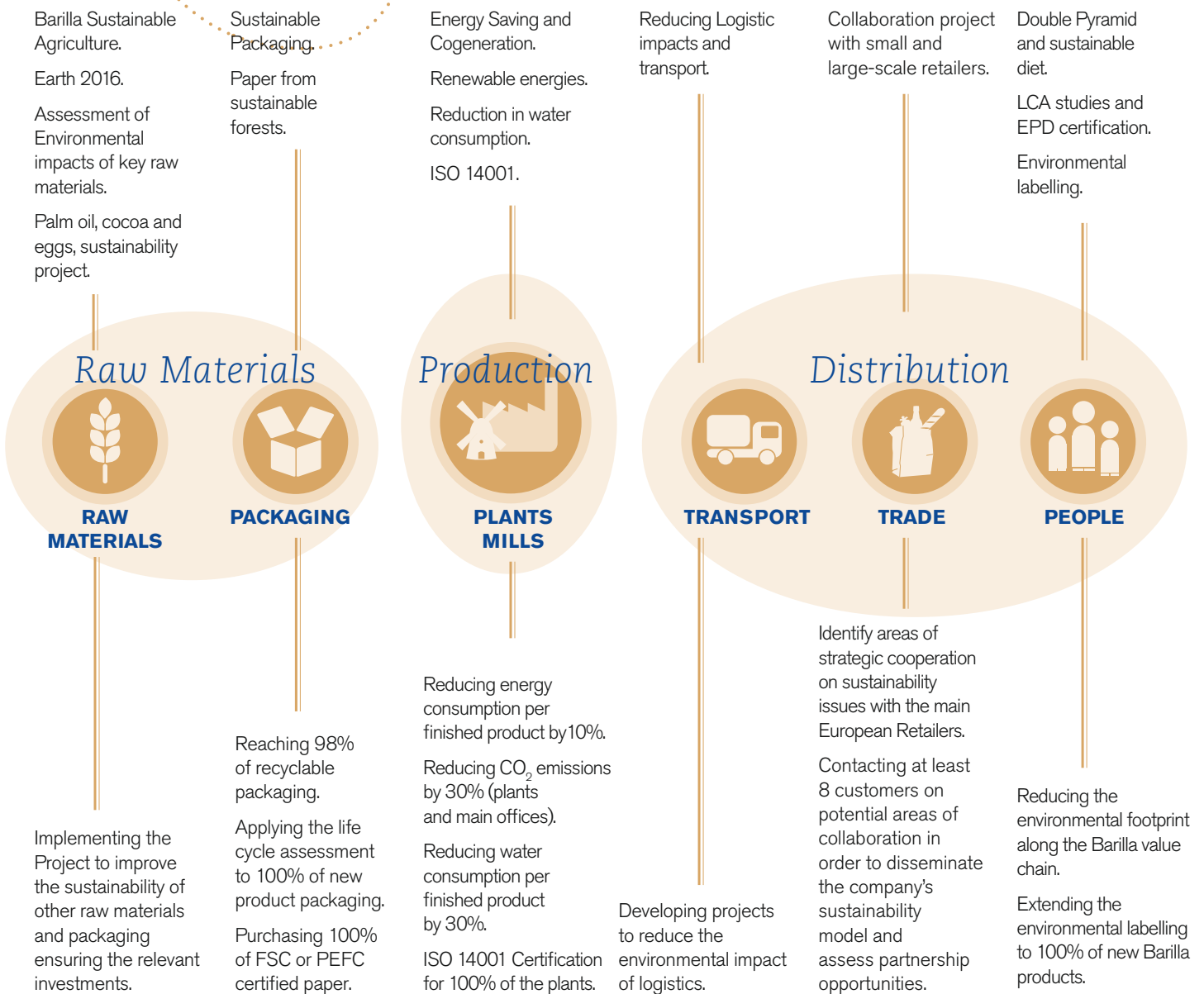
SEE STRATEGIC DIRECTION 2:
BUILDING A SUSTAINABLE COMPANY

Sustainable Supply Chains

The Barilla Group's Activities.

Unlike the classical linear structure with a cascade sequence of supply chain operators, the Barilla model is **CIRCULAR** so as to involve the various players with collaboration projects: from the production of raw materials to projects with customers and the relationship with People (see **Pasta Supply Chain Insert**). In its day-to-day activities, Barilla is committed to make its supply chains more sustainable through projects and activities leading to the achievement of the goals for 2014 (see **cover insert**).

Projects to Make Supply Chains More Sustainable



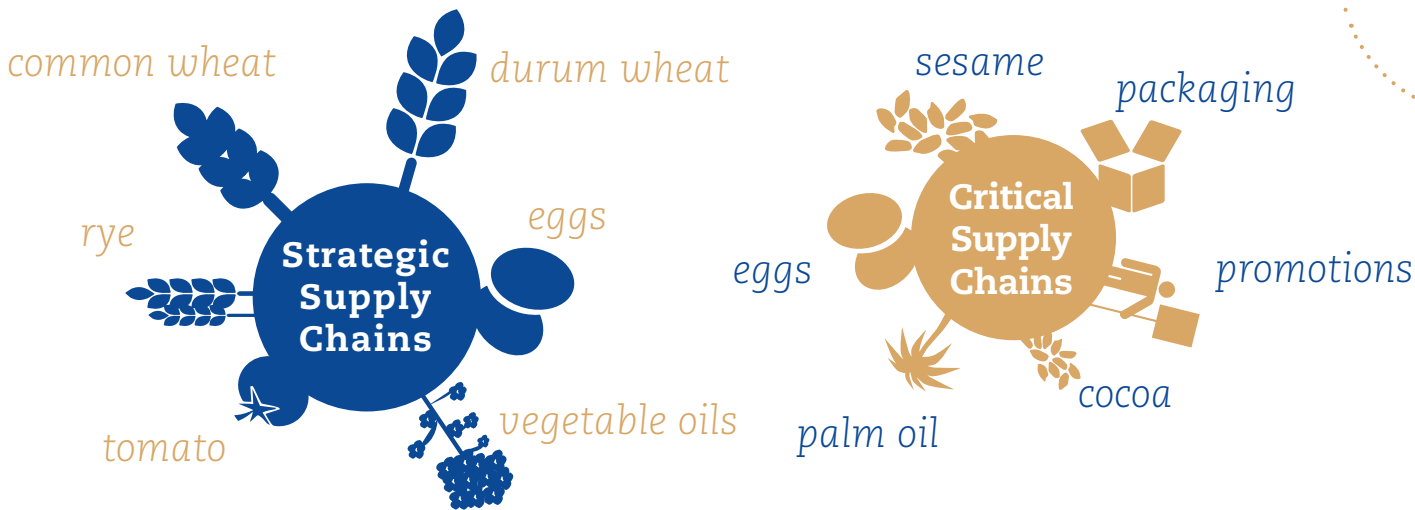
Preparatory Activities to Achieve the 2014 Goals



To complete the life cycle and path of the Barilla supply chains, see chapter 1 **“Barilla and Its Way of Doing Business”** and chapter 5 **“More Choice and More Knowledge for Good Nutrition”**.

Raw Materials

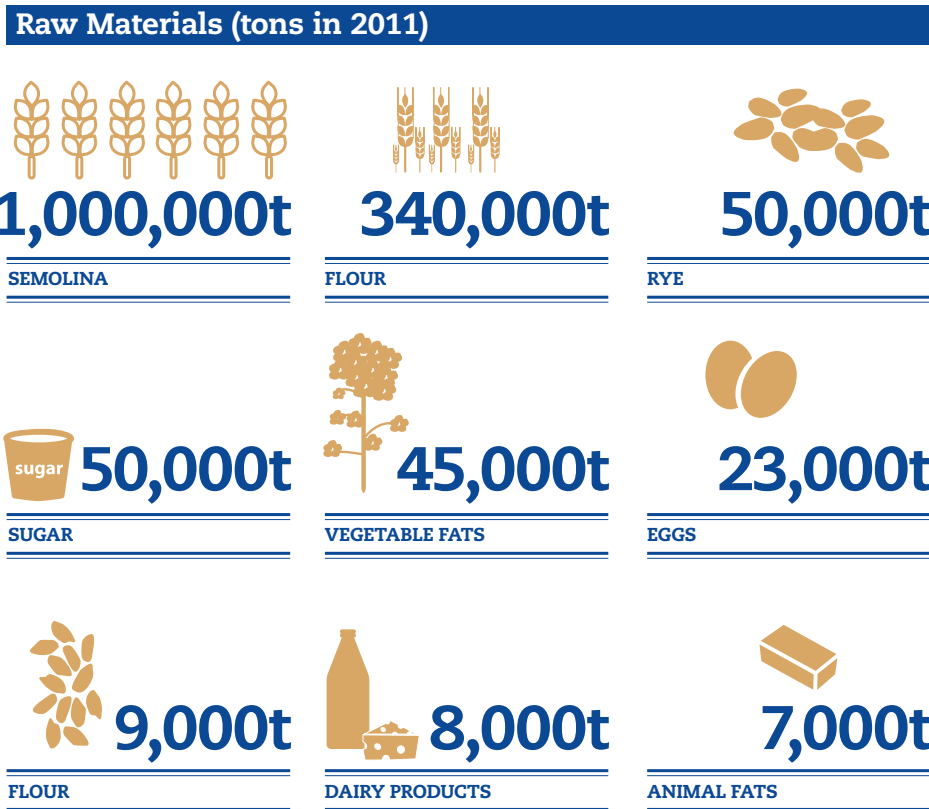
Durum wheat, soft wheat, semolina, flour, rye, sugar, vegetable fat, tomato, egg, cocoa, dairy products and animal fats.



[Risk Assessment]

Barilla has developed a risk assessment model, through which it has identified the critical supply chains in terms of food safety, worker safety, environmental impacts and animal welfare. The “**SUSTAINABLE GRAINS**” program and the “**EARTH 2016**” PROGRAM focusing on other strategic raw materials are the two main projects for a sustainable supply chain. The aim of the initiative is to develop models for each raw material supply chain and generate innovative projects and solutions.

These are the main raw materials used by Barilla to manufacture its products. Some of these raw materials are considered **STRATEGIC** because of their importance in product recipes, whereas others may have **CRITICAL** elements from the point of view of sustainability.



% of Durum Wheat Grown Locally in the Pasta Producing Country

71%

ITALY

plus:

- 10% FRANCE**
- 8% CANADA**
- 5% MEXICO**
- 5% USA**
- 1% GREECE**

81%

GREECE

plus:

- 9% FRANCE**
- 5% ITALY**
- 5% BULGARIA**

100%

TURKEY

100%

MEXICO

100%

NORTH AMERICA

of which:

- 32% USA**
- 68% CANADA**

[Growing Contracts for High Quality Crops]

Growing Contracts for High Quality varieties was established to use production regulations to optimise agronomic practices and the use of fertilizers to reduce the impact on the land, ensuring a qualitative improvement of wheat both technologically (expected high quality) and in terms of food safety (mycotoxins and pesticide residues).

The Durum Wheat Integrated Supply Chain

Since 2006, Barilla has had an agreement with the Emilia Romagna Region, growers' associations, farmers' associations and agricultural cooperatives for the production of High Quality Durum Wheat in Emilia Romagna. Following this experience, similar agreements based on the same principles were also signed in other regions of Italy. The agreements developed with the supply chain partners optimise the selection of varieties, seed multiplication, wheat cultivation and preservation protocols. In 2011 Growing Contracts for High Quality varieties accounted for approximately **48%** of the amount purchased (about **400,000 TONS**) and thus reduced imports from abroad. This figure also includes the wheat used by third party mills.

The Aureo Durum Wheat

The Aureo Durum Wheat variety is the result of twenty years' work carried out in collaboration with key players of the durum wheat supply chain. Aureo results from a careful selection that has generated a top quality variety, with features found only in special grains of American origin, suitable for being grown in Central and Southern Italy. Whilst Desert Durum wheat is grown in the desert area of the Southwest of the U.S.A. and requires a constant and significant use of water for irrigation, the Aureo variety is grown in Italy without irrigation. The amount of Aureo Wheat harvested in 2011 was used to replace part of the Desert Durum from the USA and used in special pasta: this has reduced the impact on water resources by approximately **1,000 M³** per ton of durum wheat. Considering that the program involved about **41,000 TONS OF WHEAT IN 2011**, we can estimate a total saving of irrigation water of approximately **40 MILLION M³**. Shifting wheat growing from the USA to Italy has also led to a decrease of about **1,000 TONS OF CO₂ EQUIVALENT**, caused by transport.

United Nations Global Compact and the Suppliers

After joining the UN Global Compact in 2011, Barilla undertook to promote the Ten Principles of the initiative throughout the entire value chain, setting the goal for 2014 to include clauses relating to human and environmental rights in **SUPPLY CONTRACTS** and general purchase conditions referring to Barilla Code of Ethics.

Sedex

Sedex, Suppliers Ethical Data Exchange, is a non-profit organisation, founded in 2004 to favour and guide the environmental and ethical performance of the supply chain at a global level. Sedex has prepared a **WEB PLATFORM** to enable suppliers to share information with customers on four pillars: labour standards, health and safety, environment and business integrity.

Barilla joined Sedex in 2011.

Starting in 2012, the Group will require all the suppliers located in high risk or low regulation countries to join the project and the platform to share their self-assessments and audit procedures on the four target areas.









Palm Oil, Cocoa, Sesame and Egg Supply Chains

Cocoa and Palm Oil



The suppliers of cocoa and palm oil are members of major international institutions responsible for sustainability across their supply chains.

- 100% of the COCOA SUPPLIERS are member of the WORLD COCOA FOUNDATION and all the processing sites in Africa of Barilla's main cocoa supplier are SA8000 certified.
- 100% of PALM OIL SUPPLIERS are members of the ROUNDTABLE ON SUSTAINABLE PALM OIL.

11% of the palm oil used comes from supply chains certified by international independent bodies.

Vegetable Oils: Environmental Impacts



Beginning in 2010 studies on the environmental impacts of supply chains for the production of vegetable oils were carried out: palm, soybean, rapeseed, sunflower and olive oil. The review of the scientific literature and public data on the environmental aspects associated with the production chain (from cultivation of raw materials to the production of refined oil) showed that **ALL OIL TYPES** (soybean, rapeseed, palm, sunflower, olive) **HAVE A SIMILAR CARBON FOOTPRINT**. Whereas **PALM OIL**, if grown in a sustainable manner, has a Water and Ecological Footprint that is lower (-50% COMPARED TO RAPE OIL).

Eggs: the Welfare of Laying Hens

85%

of laying hens will be reared cage-free from 2012



In 2011 Barilla received the **GOOD EGG AWARD** from the international NGO "Compassion in World Farming" for the commitment taken on by the Mulino Bianco and Pavesi brands regarding the welfare of laying hens, having decided to use **EXCLUSIVELY EGGS FROM CAGE-FREE HENS**.

Indeed Barilla plans farms, vegetable and additive-free feed programs with its suppliers. Over the course of 2012, 85% of laying hens (more than two millions) will be reared cage-free and Le Emiliane, Mulino Bianco and Pavesi brands will use only those eggs. Furthermore, all eggs used for Le Emiliane Barilla, Pavesi and Mulino Bianco are Category A.

Sesame in Paraguay



Sesame, one of the key ingredients of Wasa branded products, is a typical cultivation of tropical regions. To shorten the supply chain and better manage the quality of these seeds, Barilla has chosen to work with **ONE SINGLE COMPANY** that collects the sesame seeds from **LOCAL COOPERATIVES** and carries out the cleaning operations locally.

Environmental Impact of the Main Raw Materials

Each year the main supply chains are assessed based on environmental impact in terms of Carbon Footprint, Ecological Footprint and Water-Footprint. In 2011, **24** supply chains underwent this assessment (12 more than in 2010). A database of the environmental impacts of different raw materials consisting of **158 items** was established taking into account the influence that geographical areas of origins may have.



Carbon Footprint:

this represents and identifies greenhouse gas emissions responsible for climate change and measured as mass of CO₂ equivalent, comparing the various gases emitted in terms of effects of global warming on the Earth to CO₂ according to conversion tables defined by the International Panel on Climate Change (www.ipcc.ch).



Water Footprint:

























this quantifies the consumption and methods of use of water resources; it is measured in volume (litres) of water.



Ecological Footprint:

this measures the amount of land (or sea) biologically productive that is necessary to provide the resources and to absorb the emissions associated with a production system. It is measured in m² or global hectares.

Main Supply Chains for Which Environmental Impact Was Calculated





 DURUM WHEAT 9 GEOGRAPHIC AREAS Italy - Canada - USA Mexico - Turkey - Greece - France - Australia - Spain	 COMMON WHEAT 6 GEOGRAPHIC AREAS Italy - France - USA East Europe - UK - Sweden	 RYE 2 GEOGRAPHIC AREAS Sweden - Germany	 EGG 1 GEOGRAPHIC AREA Italy	 TOMATO 1 GEOGRAPHIC AREA Italy		
 OLIVE OIL	 SUNFLOWER OIL	 RAPE OIL	 SOYBEAN OIL	 PALM OIL	 SUGAR	
 BUTTER	 MARGARINE	 CHOCOLATE	 COCOA	 APRICOT JAM	 BASIL	
 CARROTS	 ALMONDS	 CRANBERRIES	 BANANA	 GRAPE	 APRICOTS	 MILK POWDER

Packaging

Sustainable Packaging Project

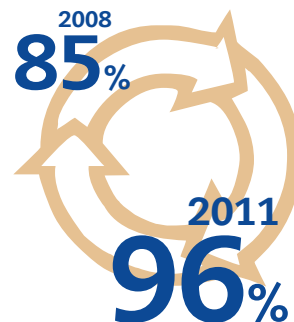
Barilla pays great attention to the packaging of its products, both in relation to purchases of paper, cardboard and film, and in its attempt to constantly improve the packages developed over the years.

Table on the Packaging Improved in 2011

PRODUCT	IMPROVEMENT DESCRIPTION	ANNUAL REDUCTION
	Packaging weight optimisation	54 tons of film
	Wrapping optimisation	8 tons of film
	Package weight optimisation and pallet saturation	36 tons of film, 14% transport reduction
	Packaging weight optimisation	9 tons of film

Recyclability of Packaging

Barilla has developed an analysis of the entire life cycle of packaging to verify its environmental performance and consider alternatives. A specific tool has been developed to design more sustainable packaging. The percentage of technically recyclable packaging rose from 85% in 2008 to 96% in 2011, of which 41% comes from recycled material.



Paper and Sustainable Forest Management

Barilla purchases more than **1.9 BILLION** units of paper and cardboard packaging and more than **30 THOUSAND TONS** of flexible film. **100%** of virgin fibre used in the cardboard packaging is purchased from paper mills that promote responsible management of forests according to **FSC** or **PEFC** standards. The need to ensure the sustainability of supplies and management of the timber used have led to the birth and development of forest certification schemes such as the **FSC** (Forest Stewardship Council) program and the **PEFC** (Programme for the Endorsement of Forest Schemes). The philosophy behind both programs is guided by sustainable forest management leveraging on environmental protection, respect for human rights and cultural traditions, promotion of economic sustainability of forestry activities.

Both programs include a strict Certification of Sustainable Forest Management.

Packaging of Steamed Biscuits

Steam cooking is an innovative technology developed and owned by Mulino Bianco.

To further enhance all the aspects of sustainability related to this product, a great effort has been made to render biscuit packs **RECYCLABLE**. Biscuit packs generally consist of two coupled materials: the outer layer of paper and the metallized inner layer in plastic film (polypropylene) which ensures the tight closure of the package and product protection. The work has focused on the reduction of the amount of plastic material offsetting this decrease with an increase in the amount of paper, thus making the packaging recyclable through the paper recovery chain. The effective recyclability of the new material was verified by testing every step of recycling in collaboration with external specialised bodies, and tests confirmed that this solution can be recycled **THROUGH NORMAL PAPER AND CARDBOARD RECYCLING PROCESSES**.

The first products that can boast this important innovation are steamed biscuits.



For more information visit www.fsc.org and www.pefc.org

Production

Among Barilla's objectives is not only sustainability in the supply of raw materials, but also the development of **low CO₂ emission** activities in all processes, trying to minimize waste, reducing the Ecological Footprint and improving production efficiency.

Barilla Group Investments for Environment, Safety and Fire Prevention in Millions of €

1.8 mln **2.4 mln** **7.9 mln**



ENVIRONMENT



FIRE PREVENTION



SAFETY

Mills and some copackers are included.

Costs Incurred by the Plants for Environmental Issues in Millions of €

2.3 mln **0.8 mln**



(1)

TREATMENT COSTS



(2)

PREVENTION COSTS

(1) Treatment expenses: waste management, treatment of air emissions and wastewater.

(2) Prevention expenses: external services for environmental management, certification and authorization procedures.

[Energy Efficiency Award Barilla Gida]

In 2011 Barilla Gida, leading pasta manufacturer in Turkey, was given the award “Energy Efficient Industrial Facility” organized by the General Directorate of Renewable Energy of the Ministry of Energy and Natural Resources of Turkey. Barilla Gida increased its energy efficiency using natural gas and electricity in its manufacturing plants and achieved 13% energy saving between 2004 and 2010.

[ISO 14001 Certified Environmental Management System]

More than 70% of Barilla products are manufactured in plants that operate following a management system certified according to the ISO 14001 standard. This has led to the implementation of many projects aimed at improving efficiency in the management of energy and water resources. In 2011, the Certified Environmental Management System was extended to the mill in Altamura, with an Integrated Safety and Environment System.

Heat and Power: Energy Consumption and Saving

The energy consumption of Barilla covers the electricity used to operate production lines, air conditioning and to light the premises and outdoor areas, plus thermal energy, which is used for baking products, drying pasta and heating the premises.

Barilla’s energy consumption per unit of finished product in 2011 amounted to **3.22 GJ/t**, in line with those of 2010.

Specifically, the consumption of electricity totalled **1.3 GJ/t** and that of thermal energy **1.9 GJ/t**.

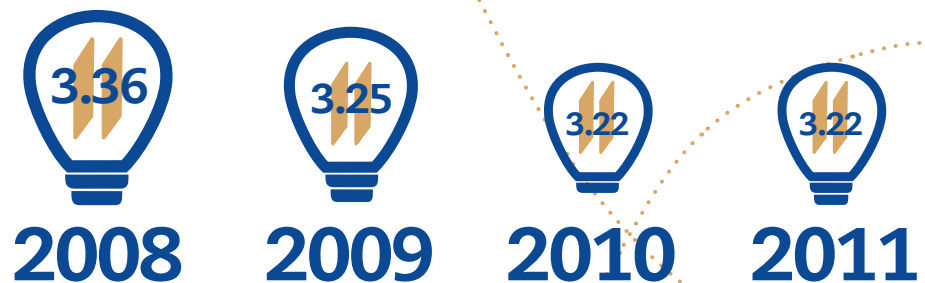
THE SIX-YEAR-OLD ENERGY SAVING PROJECT (ESP) WAS BORN TO IMPROVE EFFICIENCY IN THE MANAGEMENT OF PRODUCTION FACILITIES AND IS NOW EVEN MORE INTERNATIONAL.

The Italian and French have developed a sophisticated system for measuring the consumption of electricity, gas and water.

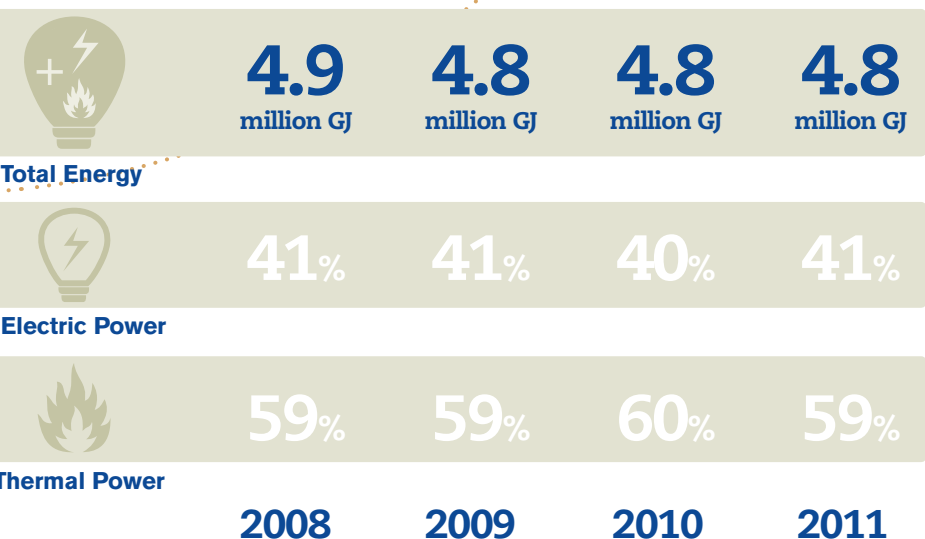
THE MAIN PROJECTS IMPLEMENTED ARE:

Replacement and automation of refrigeration units - Introduction of LED lights in parking lots and production areas - High efficiency mechanical transmission systems - Introduction of stand-by functions of packaging machinery and conveyor systems - Amendment of the process standards for cooking fume suction on some cooking ovens.

Energy Consumption per Unit of Finished Product (GJ/t)



Energy Consumption in Absolute Terms (million GJ) and % Contribution of Electric and Thermal Power



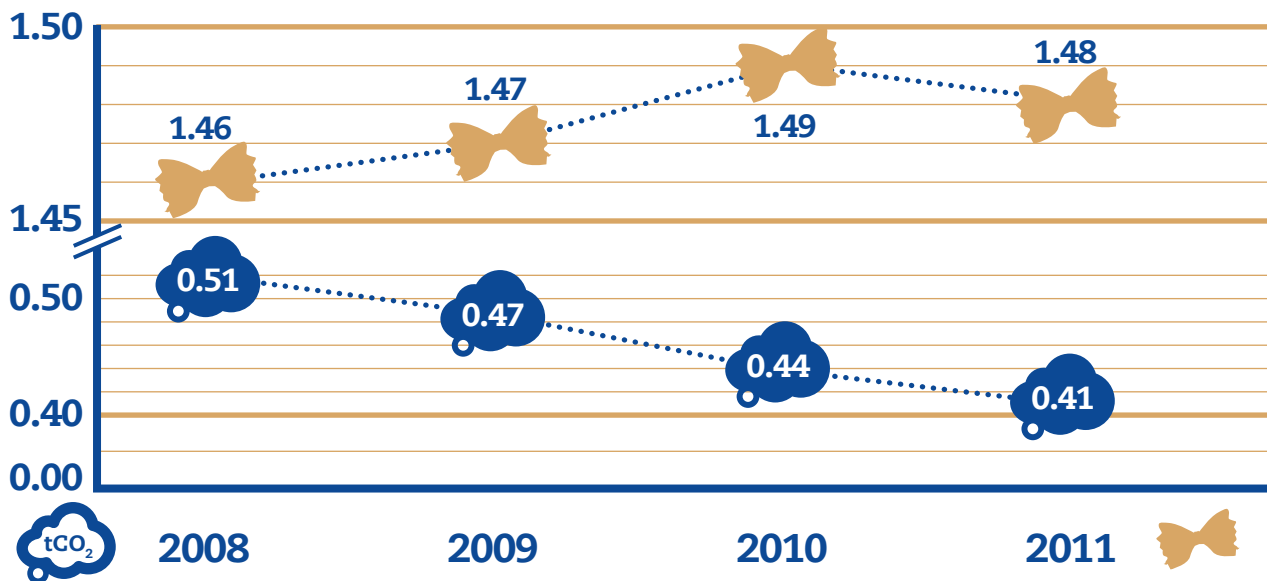
Energy Efficiency and Renewable Energy Use

Emissions of CO₂ equivalent in 2011 fell by 19% in absolute terms compared to 2008, with an increase in production of about 1%. This therefore generated a decoupling between production and CO₂ emissions. Emissions of CO₂ equivalent (Global Warming Potential) with respect to the finished product have decreased by 20% compared to 2008.

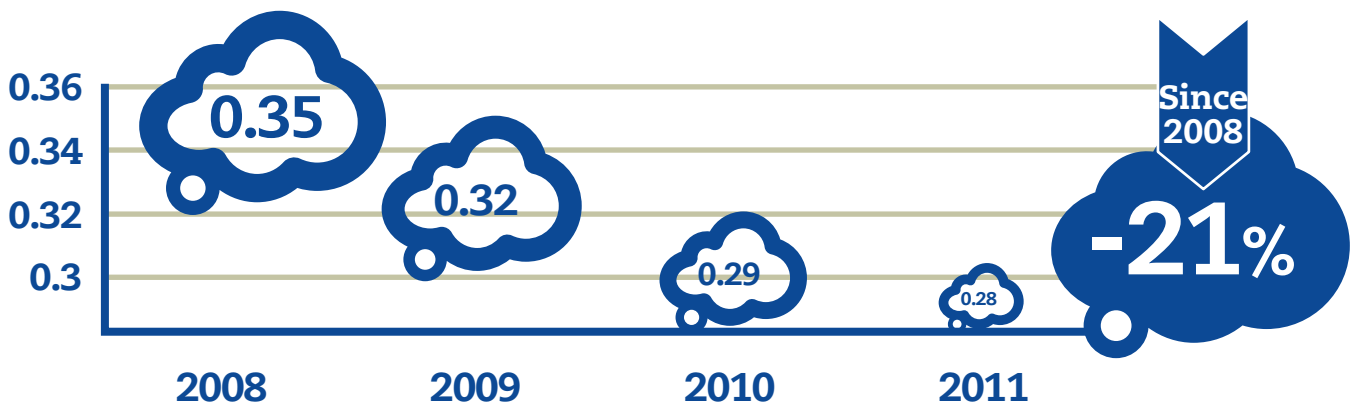
As for the increase in energy efficiency, the Pedrignano complex has been powered by a gas cogeneration plant since 2009 and the Pasta factory in Caserta by a trigeneration plant (which in addition to electric and thermal power also produces refrigerated water) since 2011. The cogeneration plant in Foggia - out of order due to a failure which occurred during 2012 - is expected to be back in operation. In terms of renewable energies, two plants producing Wasa branded products, the Swedish plant of Filipstad and the German one of Celle, use power from hydroelectric plants. In 2011, Barilla met all the power demand from Mulino Bianco bakeries using a "Renewable Energy Certificate System" (www.recs.org or www.mulinobianco.it). **This has led to a reduction of 39% in CO₂ to emissions to finished product in Mulino Bianco bakery plants between 2008 and this year.**

In 2011, the Pasta factory with the best ratio of CO₂ (GWP) emissions to the finished product was **BOLU**, the best Bakery plant was **FILIPSTAD**. The plants that recorded the highest reductions of CO₂ emissions per unit of finished product in 2010 were **PEDRIGNANO** and **THIVA** for Pasta, and **CELLE** and **FILIPSTAD** for Bakery.

Decoupling of GWP (tCO₂ eq./t) from the Volumes of Finished Product (million t)



GWP per Unit of Finished Product (tCO₂ eq./t)



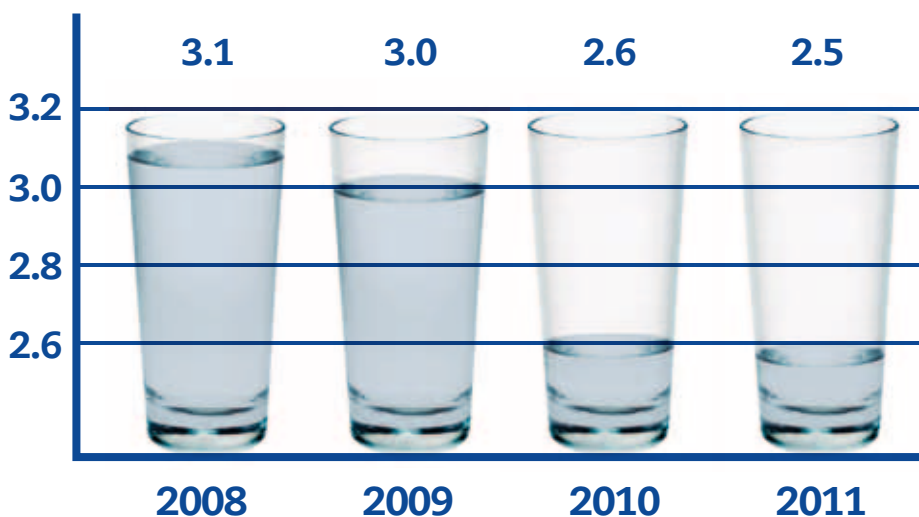
Water Consumption and Saving

The Barilla plants in 2011 consumed about **2.5 MILLION M³ OF WATER**. Approximately **59%** of the water used by the manufacturing plants was taken from owned wells or other underground sources, the rest from public water systems. In addition to its use as raw material in some recipes, water is also used for washing and cooling equipment, as well as for activities of irrigation, personal hygiene of employees, fire prevention and staff restaurants.

In 2011 approximately **566,000 M³** of water were saved compared to 2008, corresponding to about **19%** less water thanks to water-saving projects that have been developed for years in production plants. In particular, in 2011 efforts continued to eliminate cooling operations using non-returnable water. About 60% of Barilla manufacturing plants are equipped with wastewater purification plants, which significantly reduces their impact prior to discharge. In 2011 about **800,000 M³** (just over 80%) were discharged in public sewage systems, the remaining portion as surface runoff.

In 2011, the pasta factories with the greatest reduction in water consumption on the finished product (over the previous year) were **CASERTA, AMES** and **PEDRIGNANO**, while among bakery plants were **NOVARA, VALENCIENNES, CASTIGLIONE, PLAIN DE L'AIN** with decreases that in some cases were in excess of 10%.

Total Water Consumption in Million m³

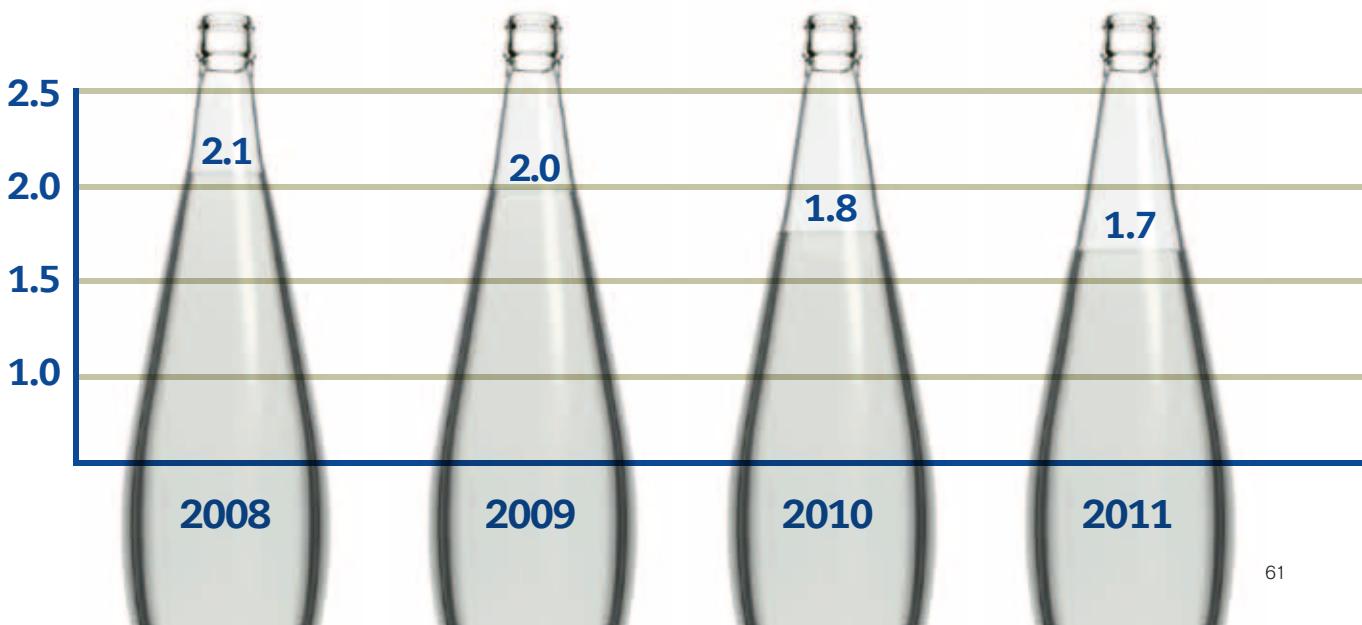


[Waste Production]

Furthermore, in manufacturing plants the focus on waste intensified with the aim of decreasing the amount produced and increasing the share intended for recovery or recycling.

In 2011 the average recorded was 13 kg of waste per ton of product; of which approximately 89% was intended for recovery / recycling operations.

Total Water Consumption per Unit of Finished Product (m³/t)



Life Cycle Assessment and Product Environmental Declaration

[LCA] Life Cycle Assessment

Objective method of evaluation and quantification of environmental energy loads and potential impacts associated with a product / process / activity along the entire life cycle, from raw materials to end of life.

Every product that comes to the table daily is the result of a process that determines characteristics and specificity. To measure the Ecological Footprint of its products throughout their life cycle from farm to fork, Barilla has developed a system based on the **Life Cycle Assessment (LCA) method**. Started more than ten years ago, the LCA now involves about **53%** of Barilla's production worldwide.

In 2010, the first among private companies, Barilla developed a system for calculating the environmental impact of products according to the LCA methodology on the basis of the **EPD MODEL**: the only one that envisages a public inquiry into Product Category Rules (PCR). The system developed by Barilla leads to the publication of study results as Environmental Product Declarations (EPD). This system has been certified by Bureau Veritas, an independent body.

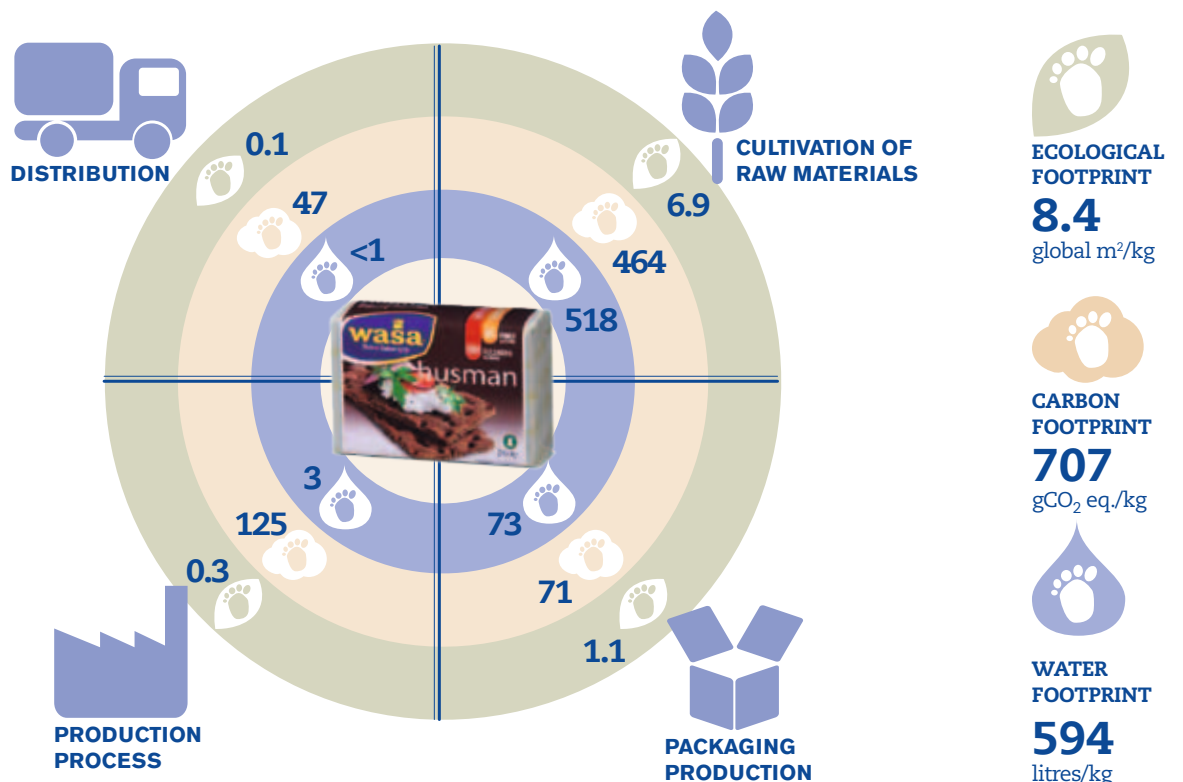
53%
of Barilla products are covered by LCA studies.

today **46%** of the Barilla products are accompanied by an Environmental Product Declaration (EPD).

Barilla Products with EPD

- | | | | | |
|-------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| <p>2009</p> <ul style="list-style-type: none"> Semolina pasta in the classic blue box produced in Italy | <p>2010</p> <ul style="list-style-type: none"> Wasa original, Wasa Solruta Sesam and Wasa Havrenacke | <p>2011</p> <ul style="list-style-type: none"> Semolina pasta in the blue box produced in all European and North American plants | <ul style="list-style-type: none"> Mulino Bianco: Pan Bauletto, Cracker non unsalted, Fiori d'acqua, Tarallucci, Galletti, Fette biscottate Armonie | <ul style="list-style-type: none"> Arrabbiata sauce, basilico sauce and pesto Wasa Husman Goccioline Pavesi |
|-------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|

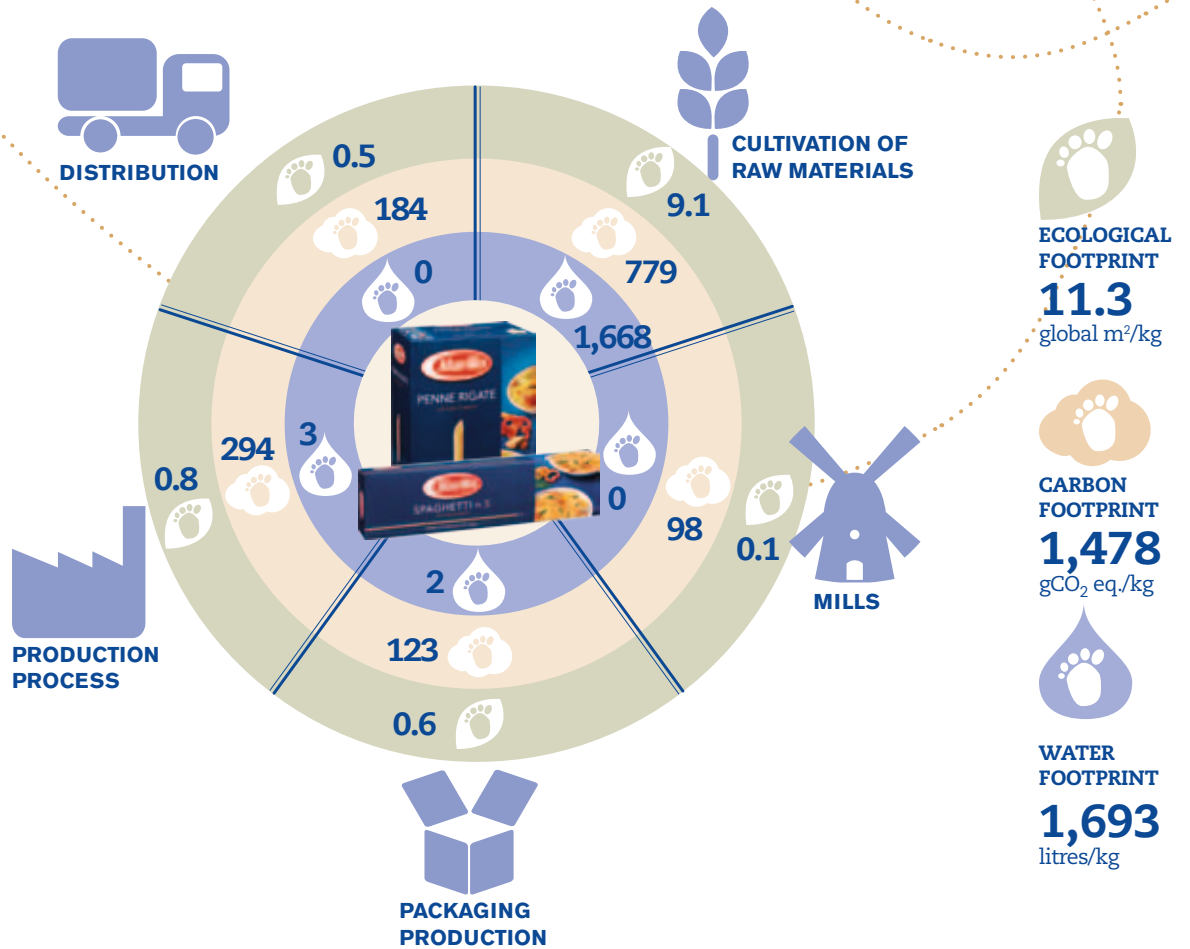
Wasa Husman: from Field to Retail



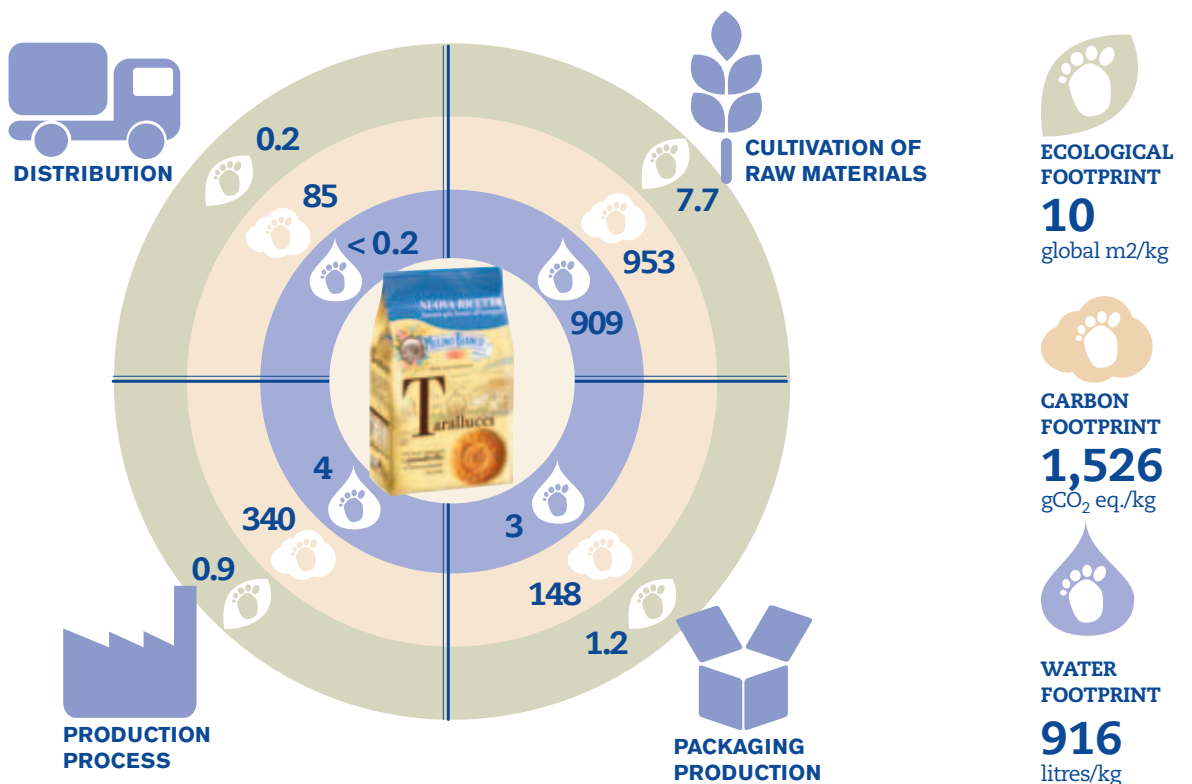
For more information on **LCA** visit the websites
www.footprintnetwork.org
www.waterfootprint.org

For more information on **EPD** visit the website
www.environdec.com

Pasta: from Field to Retail



Tarallucci: from Field to Retail



SEE STRATEGIC DIRECTION 3:
BUILDING LOCAL RELATIONS

Dialogue Projects with Retailers

[Consortium E-SAVE]

In 2011 Barilla became part of a Consortium that aims to develop services and tools for collaboration between producers and distributors to improve energy efficiency and reduce environmental impact. The project is funded by the European Commission and will last 30 months from January 2012.

COMPONENTS OF THE E-SAVE CONSORTIUM AND COUNTRY OF ORIGIN

1. **Intrasoft International**
Luxembourg
2. **Athens University of
Economics and Business -
Research center** Greece
3. **Barilla G. e R. Fratelli** Italy
4. **Quantis Sarl** Switzerland
5. **Ecole Polytechnique
Federale de Lausanne**
Switzerland
6. **BOC Asset Management
GmbH** Austria
7. **Technische Universitaet
Dortmund** Germany
8. **Simplan AG** Germany
9. **Intelen Services Limited**
Cyprus
10. **ECR Europe ASBL**
Belgium
11. **Meter** Greece

Customers and Sales Network

Barilla makes its sales in Italy and worldwide through a network of relations that its sales organisation establishes both with small independent retailers and with large-scale retailers. Modern retail through hypermarkets, supermarkets and proximity stores is, on the whole, the main channel for the marketing of Barilla Group products.

IT IS ALSO THANKS TO THE COOPERATION WITH THE RETAILERS THAT OUR PRODUCTS REACH PEOPLE'S HOMES WHERE THEY CAN FINALLY BE ENJOYED.

All along the retail chains, Barilla proposes a model of responsible management, designed to minimize environmental impact and waste, reducing the Ecological Footprint and complying with the Barilla Code of Ethics.

Next Level of Retailers' Collaboration

IN 2011, BARILLA DEVELOPED THE NEXT LEVEL OF **RETAILERS' COLLABORATION** PROJECT. THE PROJECT IS AIMED AT EXPANDING BARILLA'S NETWORKING METHODS WITH CUSTOMERS AND DEVELOPING PARTNERSHIPS AND JOINT PROJECTS.

The various topics that may be the subject of long-term collaboration include the key elements of the company's sustainable business and its good practices, in particular on aspects of agricultural supply chain, environmental protection and education.

During the year, an analysis was conducted with the main purpose of identifying areas of shared interest with the major European retailers. The sustainability policies of 14 global retailers were analysed, their strategic plans with our company on Sustainability issues were identified to prepare an engagement plan.

AUCHAN and **SIMPLY ITALIA** are the first subjects with which Barilla has engaged in a dialogue aimed at promoting some of their knowledge and actions, particularly with respect to the consumption model embodied by the **DOUBLE PYRAMID** developed by the Barilla Center for Food and Nutrition. The dialogue started has the aim of leading to the definition of concrete actions to be developed during 2012 and 2013.

2011 Activities

PARTICIPATION IN EVENTS TO MEET THE RETAIL WORLD:

1. **NIELSEN CONFERENCE (LINKONTRO)**
2. **CAPGEMINI WORKSHOP "FUTURE VALUE CHAIN TRENDS"**



4.

TOTAL QUALITY IS SUSTAINABLE QUALITY

IN THIS CHAPTER
YOU WILL DISCOVER
BARILLA'S DAILY
ACTIVITIES AS
REGARDS QUALITY
OF THE PRODUCTS
AND PROCESSES IN
MANAGING THE GROUP.

[Quality]

Quality has many characteristics, which are interrelated and which all contribute to defining the accepted meaning of Quality that we attribute to Barilla's "Know-How".

1.
BARILLA AND ITS
WAY OF DOING
BUSINESS

TOWARDS A
SUSTAINABLE AND
INTEGRATED SUPPLY
CHAIN. FROM FIELD
TO FORK

2.
COMPANY
MANAGEMENT

3. 

4. 

5. 
MORE CHOICE
AND MORE
KNOWLEDGE FOR GOOD
NUTRITION

**TOTAL QUALITY
IS SUSTAINABLE
QUALITY**

“

The “visible part” of a product is what we eat, what People receive directly. But that’s just the tip of the iceberg. What we can’t see, the hidden part, is enormous and includes research, insight, planning and control. It consists of all those activities contemplated by the Barilla Quality System.

”

SUSTAINABLE QUALITY

Producing Quality means correctly interpreting People's needs and satisfying them through Barilla's range.

[Producing Quality]

Nowadays, a process is considered of Quality if the products it produces, as well as being safe, good and available, are also nutritionally balanced, respectful of the **ENVIRONMENT** and **PEOPLE'S RIGHTS**, and are an integral part of the **DEVELOPMENT of TERRITORIES**.

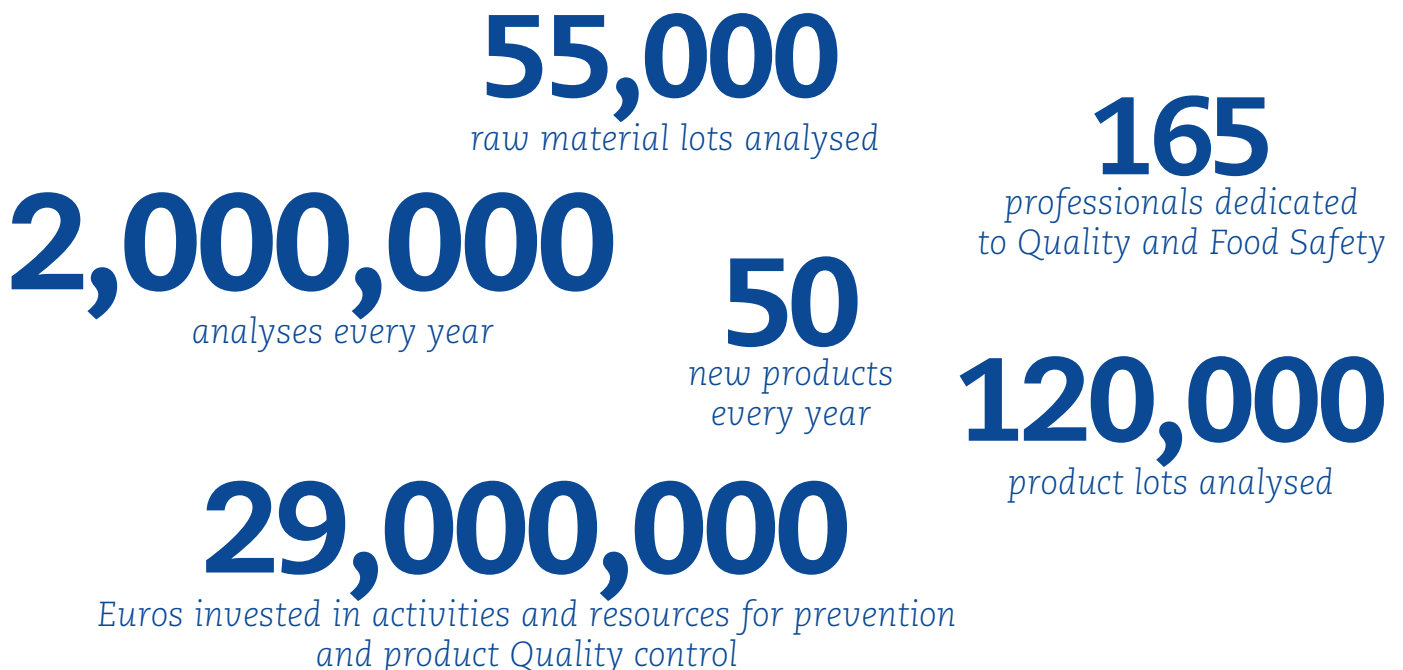
In this sense there is no discontinuity between Barilla's history and culture, its present and its future. Even in the face of a change, an evolution in People's requests, Barilla continues to offer **QUALITY**.

Clearly, this is Quality in the accepted sense that the world at large expects from the company today and in the long term, named "Sustainability".

THE CAPACITY TO GENERATE QUALITY DEPENDS ON THE EXCELLENCE OF **BARILLA'S MANAGEMENT SYSTEM**, in turn based on the **Quality of its People**, on **company values** that respect its own history and on **coherent and efficient operating procedures**.

A management system is of Quality if devised according to **pragmatically defined strategic** directions that are concrete, long-term and respectful of future generations, the environment and the territories the system affects.

The Barilla Quality Figures for 2011



“The fundamental objective of **“producing Quality”** is to supply products that are safe, excellent, and contribute to a nutritionally balanced diet.”



Objectives Total Quality in 2014

- Making it easier for People to make aware choices, by providing the following information on the pack labels and/or websites of brands: Detailed nutrition tables; Advice for a healthy lifestyle; Consumption suggestions; Waste disposal procedures and other important environmental aspects.
- Developing initiatives to stimulate continuous improvement, aimed at increasing People's satisfaction and extending our listening platform.
- Improving the Compliance Index of raw materials and finished products: continuing to pursue an annual increase of 10% in the differential between 100% (total conformity) and the bottom line value achieved that year.
- Extending the procedures with which Barilla listens to People on the themes of food safety and product and service quality at a global level in all the geographies where the company is present with its products.

Dynamism and Relativity: Two Essences of Quality

Dynamism

The concept of Quality varies over time and assumes a different connotation according to the era it refers to. It varies constantly at the rate of change of People's needs, and the social and environmental conditions of the Community and the Planet.

WE CAN DEFINE DYNAMISM AS THE “FLOW” OF THE CONCEPT OF QUALITY IN THE TIME AND PLACE IT BELONGS TO.

Moreover, we can consider Quality as a **“CUMULATIVE”** concept: the “qualitative” objectives achieved over time become consolidated and create an indispensable departure point for the development of new accepted meanings of Quality.

Relativity

The definition of the concept of “Quality”, especially if referring to products and services, relates to a specific human context, characterised by its own sociological, economical and cultural phenomena.

THE CONCEPT OF QUALITY DEPENDS ON THE PEOPLE WHO DETERMINE IT AND WHO APPRECIATE IT IN THE PRODUCTS THEY RELATE TO.

People, as players in the contexts they live and purchase in, therefore have a fundamental role in assessing what constitutes a Quality product. But not only. Quality also varies considerably from person to person: we do not all have the same expectations concerning the products and services we use. Today, the challenge for companies lies in perceiving these multiple needs and translating them into products that satisfy the major part of People's expectations.

DYNAMIC QUALITY:

QUALITY THAT VARIES OVER TIME DUE TO PEOPLE'S NEEDS, THE SOCIAL AND ENVIRONMENTAL CONDITIONS OF THE COMMUNITY AND THE PLANET.



RELATIVE QUALITY:

QUALITY THAT VARIES DUE TO HUMAN CONTEXT, SOCIOLOGICAL PHENOMENA, ECONOMIC PHENOMENA, CULTURAL PHENOMENA.

[FOCUS]

Critical Success Factors in Barilla Quality

“ Let’s go on, go on bravely.
Pietro Barilla ”

There are certain critical success factors that make Barilla what it is.

1. First and foremost the capacity to give value to its own history, knowing how to manage the **COMPANY CULTURE** over time, which would like to remain “squeaky clean”, but with a strong and ambitious identity.
2. Secondly, a propensity to listen carefully to market demand via a capacity to adapt, translated into **PRECISE GOVERNANCE SYSTEMS** that are decisive for strategic efficacy and management efficiency.
3. Last but not least, attention given to those People who offer their skill and pass their daily life in Barilla. This third factor is what we identify as **LEADERSHIP**. Which translates as: a vision of the future that sets itself concrete goals, realized incisiveness, an international perspective, ability to manage change, talent in guiding and motivating People. This not a leadership reserved for a few managers, but a shared value that nourishes a climate of diffuse entrepreneurship which is at the basis of Barilla’s identity and reputation.

Over time, this way of proceeding, guided by sincere company values, such as courage and far-sightedness, has led us to be a “moral community”, in which each Barilla Person is the member of a large orchestra.

THEREFORE, **BARILLA QUALITY** MEANS QUALITY IN TACKLING INNOVATIVE PATHS, PURSUING IMPROVEMENT, NOT BEING COMPLACENT ABOUT THE RESULTS ACHIEVED. QUALITY DIVIDED, FROM A TECHNICAL POINT OF VIEW, INTO QUALITY OF OUR PRODUCTS, WHICH IS ALSO INNOVATION IN TERMS OF MANAGEMENT PROCESSES, SUPPLY OF SERVICES, MANAGEMENT OF COSTS AND FINANCIAL ASPECTS, COMMUNICATION, IMAGE, MARKETING, TECHNOLOGY AND ORGANISATIONAL MODELS. AND IN ADDITION MEANS THE QUALITY OF THE RELATIONSHIPS BETWEEN ALL THE PEOPLE WHO WORK TO REALIZE BARILLA’S DREAM.

Genuineness in the relationships we build over time and that are made up of more or less simple values, such as professionalism, intellectual integrity, a vocation for innovation, professional humility, willingness to question ourselves, willingness to change, ability to integrate with colleagues and work in a team: this generates an organisational climate in which People feel a sense of belonging and participative management. This is the Quality with which Barilla has always built its world, led by an informed vision of the future.

The identification of critical success factors of Barilla Quality was possible thanks to the Engineer Manfredo Manfredi, Barilla CEO from 1971 to 1991.



Evolution Stages in Barilla Quality from the 50s to Now

THESE ARE JUST SOME OF THE STAGES IN BARILLA'S MORE RECENT HISTORY. IN EVERY DECADE, THERE HAVE BEEN ACTIVITIES THAT TESTIFY HOW THE GROUP INVESTED OVER TIME IN PROJECTS AND OTHER ACTIVITIES TO DO WITH QUALITY, WHETHER IN ATTEMPT TO BETTER UNDERSTAND THE NEEDS OF THE MOMENT, OR PROJECTING INTO THE FUTURE.

The '50s	The '60s	The '70s	The '80s	The '90s	The 2000s
<p>years of great ferment and innovation both from the point of view of production and marketing quality.</p> <p>1953 Barilla equips itself with its first automated plants and specialist workers.</p> <p>1957 Barilla appears on television with Carosello. The era of a new use of communication techniques, a sort of new "school" of marketing.</p>	<p>an increase in sales volumes of 15% per annum is due in part to considerable investments in new strategies and management structure, but also in the quality of sales which changed from indirect to direct.</p> <p>1960 New management structure implemented.</p> <p>1961 Adoption of first expense-revenue budget.</p> <p>1969 Construction of Pedrignano plant (Parma).</p>	<p>years in which Barilla is owned by the American multinational Grace. In '73 because of the petrol crisis and the associated exponential increase in raw material costs, the Italian government blocks the price of pasta. In order to cope with this critical moment, Barilla invests in a new quality brand.</p> <p>1975 Mulino Bianco is born.</p> <p>1978 First biscuit oven at Pedrignano.</p> <p>1979 Pietro Barilla buys back the company.</p>	<p>Barilla invests in avant-garde plants. From Ascoli Piceno, to Foggia and Melfi.</p>	<p>years of profound changes in management processes.</p> <p>1991 Takeover of Misko.</p> <p>1993 Takeover of Pavesi.</p> <p>1997 Investment in logistics, Number 1 is born.</p> <p>1999 First plant in America, at Ames and conquest of the American market. Takeover of Wasa.</p>	<p>Barilla becomes increasingly international. Managing a multinational company also means understanding global problems more thoroughly, and sharing lines of action to resolve them and make new proposals. Consequently, Barilla sets up a think tank, which sees the collaboration of some of the most influential experts in food and nutrition.</p> <p>2002 Takeover of Kamps and Harrys.</p> <p>2004 Academia Barilla founded.</p> <p>2009 Barilla Center for Food & Nutrition founded.</p>

SEE STRATEGIC DIRECTION 2:
BUILDING A SUSTAINABLE COMPANY

Operational Quality

People want to see “inside” the product, beyond the brand, what the company is like and how it operates.

[Quality]

OF THE PRODUCT

Safe / Tasty / Innovative / Healthy / Up-to-the-minute / Excellent Quality-Price ratio / Produced with controlled raw materials / Corresponding to the advertising / Respectful of the environment / Available / Fresh / Controlled / Including general information, method of use and storage.

OF THE BRAND

The brand identifies the product’s story and indicates the manufacturing company. For People the brand is a guarantee of Quality, not only of the Product, but also of Know-How.

OF THE GROUP

Barilla is an Italian company, that has been operating since 1887 and produces and exports the Spirit of Italy all over the world through its products. However in doing so, it is committed to respecting the Environment, People and the Community.

When we speak of **SUSTAINABLE QUALITY** in Barilla, we intend a wide concept: whether referring to the **QUALITY of PRODUCTS**, or the Quality of the Group’s processes and **SERVICES**. The product is the most concrete response to People’s expectations.

To be considered “of Quality” a product must be safe and good, with guaranteed nutritional and organoleptic characteristics, produced with controlled raw materials that respond to the tastes and needs of those who consume it. However, an industrial product also represents a brand and the People who have created it. Those who purchase our products daily and put them on their table have a perception of us that comes from our brands, but they know “inside the products” there is a Group, its values and its People.



Quality from People's Point of View

EXPECTED QUALITY:

WHAT PEOPLE EXPECT FROM COMPANIES LIKE BARILLA, THAT THEY TRUST AND WHOSE PRODUCTS THEY BUY DAILY.

PERCEIVED QUALITY:

HOW PEOPLE PERCEIVE THE BARILLA COMPANY AND ITS PRODUCTS.
THIS IS A DECISIVE FACTOR FOR COMPANY REPUTATION.

Tools for Barilla to assess expected/perceived Quality:

1. Direct contact with People (freephone number, mail).
2. Web channels: blogs, online forums, social networks...
3. Media: dailies, the press in general, television, radio...
4. Online initiatives to involve the public: e.g. Nel Mulino che Vorrei.
5. Feedback from public initiatives, and information and training sessions: Casa Barilla, Giocampus, A mangiar bene si comincia da Piccolini...
6. Analysis of Reputation among the scientific community.
7. Sales figures/success of new products.
8. Tasting Panel Test.
9. Market Surveys.
10. Stakeholder Panels.
11. University Open Days and Employer Branding.
12. Scientific research working groups.
13. Relationships with trade-union associations.
14. Relationships with suppliers.
15. Relationships with customers.

Quality from the Company's Point of View

DESIGNED QUALITY:

HOW BARILLA DESIGNS, DEVISES, PLANS ITS PRODUCTS AND SERVICES TO BRING QUALITY TO PEOPLE AND BUILD VALUE OVER TIME.

REALIZED QUALITY:

HOW BARILLA OPERATES AT THE LEVEL OF PHASES, PROCESSES, AND PRODUCTS THROUGHOUT THE SUPPLY CHAIN.

REPORTED QUALITY:

HOW BARILLA COMMUNICATES VIA INSTITUTIONAL COMMUNICATION AND ITS PRODUCTS AND HOW IT MONITORS ITS OWN PERFORMANCE.

Barilla's tools for planning, realizing and reporting:

1. Research activities.
2. Product and Process Development.
3. Management of Processes in all corporate functions, with monitoring of specific indicators (KPIs).
4. Specific projects for products and/or themes.
5. Selection, training and maximizing the utilization of its People and developing its Know-How.
6. Internal communication tools: BarillaWorld.
7. External communication tools: Annual Economic-Financial Statement, Sustainable Business Report, Company Profile, Group Website, Scientific publications.
8. External Barilla Center for Food and Nutrition communication tools: BCFN papers, Books.
9. Advertising (press, mass-media and digital).
10. Educational activities and information supply.
11. Continuous improvement of product and management processes throughout the value chain.
12. Training, Workshops and Seminars.
13. Working groups.
14. Internal/external exchange activities.
15. Setting up specific panels of experts (Nutrition Advisory Board, BCFN Advisory Board).
16. Certifications in compliance with international standards approved by the GFSI (Global Food Safety Initiative).

Product Quality

[Food Safety]

As a prerequisite, the food product must be guaranteed safe for the health of the People who consume it. It is therefore indispensable to guarantee, during the planning phase, the development of products that are intrinsically safe while systematically guarding against risks of contamination from raw or packaging materials, production equipment and distribution processes. Where the scientific world is unable to supply exhaustive answers regarding certain types of risk, because these have not yet been thoroughly investigated and/or understood, Barilla adopts the principle of "precaution".

Above all, as regards:

Chemical, microbiological, biological and particle contaminants:

the product, in addition to complying with the regulations in force, must respond to additional internal and/or more restrictive requisites defined from time to time according to specific limit values.

Allergens: this theme imposes criteria when planning products, selecting suppliers, managing processes able to contain the risk of cross contamination. However, the product must still carry clear indications on the label of every allergen it contains.

GMO: the product must be obtained from non-GMO raw materials, contain no fractions of GMO and not be derived from GMOs.

Raw Materials

Barilla takes maximum care in selecting and obtaining raw and packaging materials, complying with Quality and Food Safety requisites. The "Supply Quality Specifications", an integral part of the purchase contract signed with suppliers, define the organoleptic, chemical-physical, hygiene characteristics plus the area of provenance of each of the **300** types of raw material and **50** types of packaging materials used. The whole Group is now subject to thorough control of quality and safety characteristics of all the raw materials used.

IN 2011, 55,000 LOTS OF RAW MATERIALS WERE ANALYSED WITH A CONFORMITY INDEX OF 96.4% (AN IMPROVEMENT COMPARED TO THE 2010 RESULT OF 95.8%).

Organoleptic and Nutritional Characteristics

The product must be perceived as excellent at the moment of consumption and, at the same time, must encourage People to adopt a healthy, nutritionally balanced diet.

Moreover, emphasis must be given to the use of natural raw materials or, where this is impossible because of taste problems or technological reasons, using components extracted naturally; consequently the use of additives is limited with indisputable benefits for the product and People.

Controls on Finished Products

Quality controls are implemented across the board at the **41** production centres that produce more than **1,000** products.

IN 2011, AROUND 120,000 LOTS OF FINISHED PRODUCT UNDERWENT ORGANOLEPTIC, MICROBIOLOGICAL AND CHEMICAL - PHYSICAL CONTROLS WITH A CONFORMITY OF 95.5%. ANYTHING THAT DID NOT CONFORM WAS MANAGED BY PRECISE INTERNAL PROCEDURES.

Packaging

This must guarantee maintenance of organoleptic, nutritional and safety characteristics throughout the life of the product, when used as directed or under normal conditions of use. The pack, in addition to complying with the regulations in force, must transparently communicate to People clear and complete information on the nutritional values, its expected life, storage and correct use, as well as suggestions People can use to regulate their eating habits. In addition, during the planning phase, other aspects must be considered as regards the advantages of use such as ease of transport, shelf and larder storage, closure after partial use.



For the information given on packs please see chapter 5: **"More Choice and More Knowledge for Good Nutrition"**.

50 *new products launched every year*

103 *products reformulated over the last three years to improve their nutritional profile*

Design and Realization

These are the phases of a long process whose objective is to offer new products that can bring wellbeing and the joy of eating well into People's lives every day. The process that leads to the birth of a new product can be split into several phases, that can be grouped into **3 MOMENTS**. At the end of every phase the results are assessed and a decision is taken as to whether to continue down that particular development path.

This is a process based on the interaction between various types of professionalism and skills, both inside and outside the company and built starting from an intense relationship between those who design and realize the product and the People it is destined for.

[A Manual of Know-How]

For some time, Barilla has been making use of Good Manufacturing Practices, the manual of Know-How containing over 600 **RULES** regarding the hygiene requisites of the production premises and equipment, but also staff behaviour, which is fundamental to guarantee product Quality. To this end, the manual also supplies clear instructions on staff clothing and training.

1.

Each design team enjoys collaboration with a selected group of People who actively take part in the creation of new products. These are not simply testers but creatives involved right from the very first phases of **CREATION** and **DEVELOPMENT**. Every year, Barilla invests its innovative efforts in dozens of projects, at different levels of progress, that are normally completed within one to three years. This set of projects constitutes Barilla's "innovation portfolio", which is constantly being revised on the basis of defined priorities.

2.

To this end, in the **DESIGN** phase for new equipment, the hygiene specifications and running procedure must be defined. The technology used must be such that it safeguards as much as possible the integrity, naturalness and nutritional characteristics of the ingredients. This is the fruit of more than **50 DEDICATED TECHNOLOGIES**, many of which have been developed exclusively for the company, such as the recent introduction of ovens for steam cooking bakery products. The Quality System allows control and verification of production standards, right up to the arrival of the product on the shelves of large and small retailers around the world.

3.

All of this would be completely unimportant, unless at the end of this avenue, there was no **LAUNCH** phase of a product with nutritional characteristics that are good for People's health. Barilla offers tasty, practical products for daily use, that contribute to a correct diet, and are accessible in terms of price. The company is constantly reformulating its products, in particular lowering the fat and salt content and increasing the quantity of fibre to create new products that have specific benefits and a high health value in line with **PEOPLE'S NEEDS**.

1 

CREATION AND DEVELOPMENT

2 

DESIGN AND REALIZATION

3 

LAUNCH

SEE STRATEGIC DIRECTION 1:
BUILDING KNOWLEDGE

The BCFN Index of Wellbeing

Research beyond the GDP and Quality of Life.

[Food for All]



BCFN Reference Area



“MEASURING PEOPLE’S WELLBEING: THE BCFN INDEX”

People represent the reference point of Barilla’s actions. Every product or service is designed to increase the wellbeing of the community, seeking to respect the resources the Planet offers.

For some time, the scientific community has been commenting on the inadequacy of the current indexes which society has available for aspects linked to the progress and wellbeing of People.

IN PARTICULAR, **AN ANALYSIS OF GROSS DOMESTIC PRODUCT** ALLOWS A CHECK ON THE STRICTLY ECONOMIC ASPECTS OF A COUNTRY’S PRODUCTION ACTIVITIES, BUT **DOES NOT TAKE INTO ACCOUNT ALL THE ASPECTS CONNECTED WITH POPULATIONS’ HAPPINESS AND “GOOD LIVING”**.

*In the face of this situation, today the business world is asking itself how it can better analyse changes in society and understand how it can efficiently contribute to the future of the Planet and the next generations. Barilla is trying to answer these questions, through the research and thinking coming out of the **Barilla Center for Food and Nutrition**.*

In particular, with regard to society’s wellbeing, in 2010 it began research into existing indexes of wellbeing, and as a result, formulated its own, known as the BCFN Index. Consequently, in 2011 it carried out further studies in this sector, resulting in a more complete formulation.

IN 2011, THE BARILLA CENTER FOR FOOD AND NUTRITION, **BCFN**, UPDATED ITS FIRST **WELLBEING INDEX** FORMULATED IN 2010.



See chapter 1: **“Barilla and Its Way of Doing Business”**.

“The necessary integration of other indicators (social and environmental) in the formulation of an all-embracing index, has been strengthened with elements relating to **food, nutrition and lifestyle**. This is unquestionably the distinctive aspect of the BCFN Index.”

The BCFN Index consists of two brief multidimensional indexes:

THE INDEX OF CURRENT WELLBEING WHICH IS A MULTIDIMENSIONAL MEASUREMENT OF THE CURRENT WELLBEING OF INDIVIDUALS (WHAT PEOPLE LIVE/EXPERIENCE TODAY).

THE INDEX OF WELLBEING SUSTAINABILITY WHICH MEASURES THE FUTURE DYNAMICS/TRENDS OF CURRENT WELLBEING.

These two multidimensional indexes are in turn composed of three sub-indexes:

- Lifestyle Index;
- Wealth and Environment Index;
- Personal and Interpersonal Relations Index.

For each sub-index various indicators (**KPI**) have been analysed and assessed out of a sample of **10 SELECTED NATIONS**. Thus it has been possible to identify situations of greater or lesser equilibrium between the dimensions considered by the sub-indexes and more completely define People's wellbeing and the Quality of their Lives. Moreover, this analysis indicates possible improvements, which People, but also private companies can become involved in.



SÌ.MEDITERRANEO: the Wellbeing and “Quality of Daily Life” of Barilla People

[SÌ. MEDITERRANEO]

Not only does the SÌ.Mediterraneo project represent an example of information supply on and promotion of the Mediterranean Model among Barilla People, but it can also be read as a concrete activity, albeit experimental, as well as an application of the Wellbeing Index identified by the Barilla Center for Food and Nutrition for the company’s daily activity.

OBJECT AND GENERAL AIMS: SÌ.Mediterraneo is a pilot project developed in collaboration with the Department of Clinical and Experimental Medicine of the Federico II University of Naples and the contribution of the Barilla Nutrition Advisory Board. The final aim is to increase the nutritional knowledge of Barilla People, starting from an analysis of their eating habits and lifestyle. The project began in October 2011 at the two company canteens for office and plant staff at Pedrignano (Parma), the Group’s headquarters, where **1,500 PEOPLE** work.

OBJECTIVES:

1. Increasing Barilla People’s awareness of the benefits of the Mediterranean diet and the relationship between correct diet and safeguarding of the environment through nutritional education activities and information supply in line with the Double Pyramid study sponsored by the Barilla Center for Food and Nutrition (BCFN).
2. Improving the eating habits of Barilla People through a wider more diverse range of foodstuffs, in line with the proposed nutritional principles.

IMPLEMENTATION:

Over the course of four weeks, information was provided on the Mediterranean Diet, the Double Pyramid, the nutritional value of food such as products based on wholegrains or pulses, consumption of fish and white meat, and reduction in sweet products. To this end, information panels were set up in the canteens, and illustrative place mats handed out along with leaflets summarizing the initiative’s main messages. As a consequence, also the canteen menus were modified with an increase in wholegrain products including pasta and bread, pulses, vegetarian options, salads of cereals, vegetables, plus fish and less fatty meat, and more in general meals that respect the wellbeing of People and the environment, and provide high nutritional value, clearly indicated on the day’s menu. Also the so-called “cestini” were modified. These are quick meals that can be booked and delivered to the workplace in the case of meetings or other commitments. To verify the impact of the project on the eating habits of Barilla People, consumption before and after the conclusion of the initiative was monitored.

RESULTS:

The main changes observed in the food choices are shown in the table below and expressed as a percentage variation in weekly consumption before and after the educational event.

SÌ.MEDITERRANEO INDICATORS	TOTALS	OFFICE CANTEEN	PLANT CANTEEN
Number of “cestini” with vegetarian option	+35%	da 338 a 538	da 337 a 370
Quantity of cheese and eggs	-20%	-39%	+4%*
Quantity of pulses	+55%	+12%	+152%
Quantity of fish	+40%	+67%	+16%
Quantity of deli meats	-24%	-26%	-21%
Quantity of whole grain bread	+41%	+45%	+39%
Quantity of whole grain pasta	+117%	+116%	+117%
Quantity of white meat	+52%	+104%	+22%
Quantity of red meat	-31%	-47%	-5%*
Quantity of fruit and vegetables consumed	+7%	+6%*	+7%

* not significant from a statistical point of view

The food consumption in the canteen showed a decisive increase in those foods that are more in line with the Mediterranean Diet and a significant decrease in those furthest from it. Therefore, both from the point of view of quantity and content, the variations observed are unquestionably significant.

Moreover, after implementation, staff were asked to fill in a questionnaire assessing the experience and any effects it had.

Amongst the main results from the 600 questionnaires that were handed back, more than 80% said they enjoyed the initiative, and 50% of the total sample were satisfied or very satisfied with the proposal.

[Indicators]

Indicators of psycho-physical and behavioural wellbeing in the BCFN Wellbeing Index relating to the Si.Mediterraneo project:

INDICATORS OF CURRENT WELLBEING

1. Healthy life expectancy.
2. Obese and overweight adult population.

INDICATORS OF WELLBEING SUSTAINABILITY

1. Variation in mortality due to cardiovascular pathologies.
2. Variation in mortality due to tumours.
3. Variation in mortality due to diabetes.

Si.MEDITERRANEO and the BCFN Wellbeing Index

In fact, the pilot experience at Pedrignano, while confined to a part of the company's staff and not all the People round the world who consume food produced by Barilla, nonetheless revealed a significant link between nutritional information activities and the offer of food in line with it, on the one hand, and an individual's consumption patterns, on the other.

From this point of view, the indicators relating to food consumption during the project can be considered approximation indicators of some of those contained in the part of the BCFN Index relating to psycho-physical and behavioural wellbeing. Indeed, various international scientific studies claim that these latter indicators are influenced by eating habits more than by factors such as the tenor or style of life.

The use of the Si. Mediterraneo project among other Barilla People, apart from those at Pedrignano, for a lengthier period, will make it possible to investigate more thoroughly and check on the effects of interventions designed to foster the adoption of healthier eating habits, characterized by concreteness, practicality and applicability.



For a table showing the correspondence between sustainability indicators and the BCFN Index please see: **Appendix 2**.



To find out more about the Index: www.barillacfn.com



Know-How

Barilla People Objectives for 2014

Developing an integrated vision of the sustainability risks within the company processes (also by coordinating various analyses of risks present in the company).

Updating the company's Code of Ethics as part of an overall review of company ethics, with particular attention to the involvement of internal and external stakeholders.

Implementing the operational model, defining global processes and drafting a set of regulations for Barilla's sustainable business, as part of the company's organisational and regulatory structure.

Zero accident objective: Reducing by 50% days of absence due to accident; Reducing the absolute number of accidents by 40%; Monitoring the safety indices of external firms that operate as part of the Barilla organisation.

Realizing a programme to circulate the vision, principles and practices of Sustainability for all the People in the company, starting from the "critical populations".

Guaranteeing constant updating and development of Barilla's own staff (e.g. professional refresher courses, development of leadership and shared culture).

Increasing People Care activities in the main European countries with at least one intervention or initiative in areas relating to People's Wellbeing in line with the Index proposed by the BCFN: Lifestyle; Wealth and Environment; Social and Interpersonal Relations.

Everyone who is a member of the Barilla organisation is heavily involved in reaching food safety objectives and elevated quality standards in every part of the production process or service offered.

Every day, **8,766 PEOPLE** work for the Group (excluding Lieken company staff). If we include Lieken, not falling within the remit of this Report, this number rises to **13,141 PEOPLE**. In 2011, at a group level, the number of People employed directly at production, milling and distribution sites amounts to **6,423 PEOPLE**. Those involved indirectly in production number **710**. In Italy, the sales force includes **209 STAFF** and **16 AGENTS** who employ **309 SUB-AGENTS** deployed across the country. Hostess and merchandising agencies employ **360 PEOPLE** indirectly for us. Meanwhile, **1,050 PEOPLE** work indirectly for the Group in Logistics.

Barilla owes its success to all these People, which is why it tries to offer them a Quality working environment that respects everyone's needs.

* data updated on 31.12.2011

Barilla People Employed Directly										2011		
	PERMANENT					TEMPORARY			TOTAL*			
AMERICA	24	46	95	31	242	0	0	0	438			
AUSTRALIA	0	5	3	0	0	0	0	0	8			
AUSTRIA	0	4	4	0	0	0	0	0	8			
BELGIUM	0	1	1	7	0	0	0	0	9			
BRAZIL	1	1	4	6	0	0	0	0	12			
CANADA	0	2	1	4	0	0	0	0	7			
CROATIA	0	1	0	0	0	0	0	0	1			
DENMARK	0	0	0	0	0	0	0	0	0			
FRANCE	22	123	288	124	902	20	2	12	1,493			
GERMANY	1	45	64	17	184	5	0	18	334			
JAPAN	0	2	2	0	0	2	0	0	6			
GREECE	4	24	42	20	121	0	0	0	211			
ITALY	111	494	936	133	2,701	29	18	72	4,494			
MEXICO	1	4	33	0	189	0	0	22	249			
NORWAY	0	6	9	56	6	5	0	0	82			
HOLLAND	1	5	2	0	0	1	0	0	9			
POLAND	1	7	7	29	0	0	0	0	44			
RUSSIA	8	16	47	45	338	0	0	25	479			
SLOVENIA	0	2	1	0	0	1	0	0	4			
SPAIN	0	4	3	0	0	1	0	0	8			
SWEDEN	2	25	82	25	379	7	0	2	522			
SWITZERLAND	1	6	5	3	0	0	0	0	15			
TURKEY	3	30	70	21	208	0	0	0	332			
HUNGARY	0	1	0	0	0	0	0	0	1			
TOTAL	180	854	1,699	521	5,270	71	20	151	8,766			

EXECUTIVES MANAGERS CLERKS SALESMEN WORKERS CLERKS SALESMEN WORKERS



Quality Production Project

The project “QB – Producing Barilla Quality” was created to raise the awareness of People working in its plants and to revive the dialogue on themes linked to Quality.



STARTING FROM NOVEMBER 2010, FOR THE WHOLE OF 2011, OPERATORS, SHIFT FOREMEN AND THE HEADS OF 8 ITALIAN PLANTS SAT DOWN TOGETHER TO SWAP PERSONAL EXPERIENCES AND SHARE REFLECTIONS, SUGGESTIONS, AND PROPOSALS FOR IMPROVEMENT.

We asked them what “Barilla Quality” means, discovering that the emotions that came to the surface were so profound that their voices cracked. We asked these People to reacquire their pride as creators and custodians of the quality of those products they themselves offer their families, inviting them to assume concrete commitments, little daily gestures of caring about their own role. The answer? A veritable tidal wave of enthusiasm and words that were bursting to be expressed. The operators’ words plastered the walls of the plants, coloured the canteens, filled postcards: care, respect, trust, passion, collaboration, humility, were the most common terms. The messages mushroomed along with smiling faces in photographs and film projected along the corridors, rapid occasions of memory and acknowledgement: I was there, I’m part of this. Keeping awareness and discussion alive. Because “We are the Quality”.

[Scholarship]

Barilla’s penchant for training and education is further bolstered by the offering of scholarships and research fellowships. In 2011, Barilla offered a scholarship for a **MASTER IN HUMAN DEVELOPMENT AND FOOD SECURITY** at the Faculty of Economics of the Roma Tre University plus a research fellowship for the year 2012-2013 on the theme: “Food and nutrition: sustainable agriculture, management and innovation models”.

Training

Barilla recognizes its knowledge as a founding value, and unceasingly supports continuous training and development of its People.

The **BARILLA LABORATORY FOR KNOWLEDGE & INNOVATION** is the unit responsible for accompanying the company on its cultural evolution: and the fulcrum of this management of knowledge and skills vital for the life of the company, a space for trying out training procedures and tools that are constantly being updated, a hotbed of projects that range from research into strategic innovation to a strengthening of the Group’s cultural identity, from the dissemination of a leadership style hinging on the company’s values, to nutrition and transmission of the wealth of in-house knowledge.

In 2011 the Barilla Lab created a total of **559 TRAINING INITIATIVES**, reaching a population of over **5,200 PEOPLE** with an overall impact of around **53,500 TRAINING HOURS**. To these figures on directly managed training, must be added those of the activities organized by other Units with the support of the Lab, for a grand total of over **830 SESSIONS**, with attendance figures of **8,800** and **A TOTAL OF 73,800 HOURS PROVIDED**.

Over 2,500 hours were dedicated to training on themes linked to sustainability, with particular attention to the sustainability model adopted by the company as well as the sustainability of the agricultural supply chain, and with the participation of over 1,300 People in both obligatory and voluntary training activities (80% and 20% respectively).

LAB 2011	LEARNING AND DEVELOPMENT ACTIVITIES	PARTICIPANTS	TRAINING HOURS
Orientation and induction	103	1,704	15,939
Leadership development	27	354	6,579
Learning unit	321	2,804	22,166
Innovation accelerator	3	270	1,550
Language learning	105	105	6,215
Other	277	3,542	20,353
TOTAL	836	8,779	73,802

TRAINING 2011	TOTAL EMPLOYEES	EMPLOYEES WITH TRAINING	%
America	438	168	38.4
France	1,459	984	67.4
Germany	311	137	44.1
Greece	211	165	78.2
Italy	4,375	3,078	70.4
Russia	454	36	7.9
Northern Europe (Sweden and Norway)	590	445	75.4
Turkey	332	219	66.0
TOTAL	8,170	5,232	64.0

Attracting New Barilla People: Recruitment and Employer Branding

*In 2011, with a view to integration and internationalisation there was a redesign and implementation of **governance, processes and tools** concerning the selection and recruitment of new People.*

An e-recruiting platform was designed and implemented worldwide while the Group's Employer Branding strategy was defined, with the objective of positioning the company globally as a prospective employer.

[Managing Talent]

The goal of the Talent Management Programme is to build a future generation of leaders who personify Barilla's values and vision of the future. In 2011 1,311 PEOPLE attended around the world.

THE BASIC PRINCIPLES ARE:

1. Business and Human Capital strategy.
2. Conquest of the hearts and minds of People in tune with the values and behaviour of hip Barilla leaders, creating a relationship with potential candidates that is both rational and emotional.
3. Cross-fertilization, i.e. the contamination of technical and relational skills and knowledge.
4. Inclusion of different cultures and experience.
5. Being Barilla ambassadors and providing an enjoyable experience for candidates throughout the selection process.
6. The identification of People able to anticipate future trends while staying true to our identity and values.
7. Bringing our "Know-How" to life, by organizing tours of our plants for the new graduates or letting them enjoy the experience of cooking together at the Academia.
8. The change in approach in recruiting, i.e. the passage from the concept of "finding a job" to the concept of "undertaking a journey".



+46% international requests for work with respect to 2010.

60% of the candidates encountered during the events to promote the Group were presented to line managers.

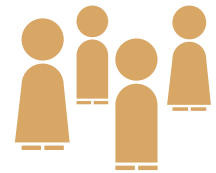
50% of these were offered a contract.

There were 50 Employer Branding initiatives in 2011 at 20 different universities around the world. We met with more than **1,500 STUDENTS** from over **20 NATIONS** in different contexts, which means that Barilla's world reached over 30,000 new young professionals.

The same year, the international network expanded, by forming a partnership with CEMS (a strategic alliance of 26 business schools and multinational companies in 4 continents), AIESEC (a global network of young people with over 64,000 members in 110 nations, at more than 2,100 universities), ESCP (international business school with campuses in five of Europe's major cities, 1,200 graduates). International events were organised both in Italy and abroad (CEMS International Career Fair Budapest; MIT European Career Fair; London Business School Career Day; Absolventenkongress Cologne; GISMA MBA Career Fair Berlin; ECSP Europe Career Day; University of Gastronomic Science International Career Day; Welcome to International Students at the Polytechnic of Milan; International Day at Bocconi University; University of Bologna).

We also scheduled and organised seminars, **visits to the company and plants**, and various professional family workshops: Marketing; Supply Chain; IT (Polytechnic of Milan; ASP Polytechnic; Technical University of Munich; Publitalia; DomusAcademy & Polidesign).

2011 Barilla Plants Visits



PLANTS

VISITS

PEOPLE

Ames	11	224
Ascoli	4	800
Avon	6	120
Bolu	17	174
Caserta	3	950
Castiglione	20	738
Celle	19	263
Cremona	7	198
Foggia	2	850
Grand Pré	5	30
Malterie	21	180
Melfi	15	631
Novara	7	103
Pedrignano	99	3,056
Philipstad	15	130
Rubbiano	5	262
San Luis Potosì	8	218
Saint-Vulbas	4	342
Talmont	4	545
Thebes	3	80
Valenciennes	1	15
TOTAL	276	9,909





People Care

In 2011 Barilla's People Care structure was redesigned to include initiatives for employees in line with the level of wellbeing identified in the BCFN Index: Lifestyle; Wealth and Environment; Social and Interpersonal Relations.

In the same year we finished an assessment of the initiatives and good practices in People Care around Europe

Good Practices in Different European Countries

FRANCE

SENIOR AGREEMENT
TRAINING BASIC

ITALY

FAMILY DAY
FAMILY EDUCATION
(Intercultura, kindergarden, scholarship, Giocampus)
SÌ.MEDITERRANEO PROJECT
PHILANTHROPY
HEALTH CAMPAIGN
ESSERE BARILLA
NEWSPAPER
CRAL

GERMANY

FAMILY CONSULTANT SERVICE
DRY CLEANING
PENSION PLAN
SPORTS INCENTIVES
SPECIAL ALLOWANCE FOR EXTRAORDINARY OCCASIONS
BARILLA SCOLARSHIPS AND SCHOOL EXCELLENCE ALLOWANCE

SWEDEN

DRY CLEANING
HEALTH GYM AND SPORT
SPECIAL ALLOWANCE FOR EXTRAORDINARY OCCASIONS
PARENTAL PAY
HEALTH CHECK-UPS
TELEWORKING
SUMMER JOBS FOR EMPLOYEES' CHILDREN
MUSIC HEADPHONES FOR WORKERS
APARTMENTS
10 DAYS FOR NEW FATHER

GREECE

SCHOLARSHIPS FOR CHILDREN OF DESERVING EMPLOYEES



4,350

People covered by an additional Health Insurance Policy.



2,824

People covered by an additional Pension Plan.

Performance Management

The system to manage individual performance has been extended to 100% of the managerial population. The overall annual business goals are translated in turn by the top management into individual objectives. Based on meetings with each associate, managers swap ideas on objectives, leadership skills, and competencies and formulate personalized development plans.

THE TOP MANAGEMENT TOO IS SUBJECT TO THIS ASSESSMENT. MANAGERS' PERFORMANCE IS ALSO ASSESSED IN RELATION TO SUSTAINABILITY GOALS.



For further information about **SÌ.MEDITERRANEO Project** see previous pages and **BCFN Index** at **Appendix 2**.

Internal Communication

In 2011, the digital version of BARILLAWORLD – the weekly global company magazine, published in Italian and English – was joined by a paper version.

Translated into 6 languages and published three times a year, it is destined for People from the plants in Italy and abroad. In both versions, by featuring articles on strategy and products, events and initiatives, BarillaWorld sets itself the objective of stimulating the culture of enterprise and innovation.

The year 2011 saw the first edition of the event, ESSERE BARILLA a biennial recognition which will involve Italian colleagues - and, starting from 2013, also foreign ones - to reward our current and former People's sense of belonging.

Moreover, throughout the past year, a delegation of Barilla People left to VISIT GHANA to experience first-hand the projects sponsored by our company and carried out by a small American NGO.

Again during the same year two promotion and internal communication campaigns were carried out – both on- and off-line, in Italy and abroad – for two projects: BARILLA COMMUNITY PLATFORM, an in-house virtual tool created to improve People's work and guarantee efficiency and speed for certain processes, and **Si.MEDITERRANEO**, a path of internal education to promote healthy sustainable eating (pages 78 and 79).



Diversity




For some years now, the Barilla Group has been acquiring a multinational feel, reflecting in its value identity the heterogeneity of the cultures of the countries where it is present.

In 2011 the number of **“expatriate” managers increased by 6.6% compared to 2010** to develop a more international culture.

In 2011 **ongoing innovative contracts, part-time and teleworking, amounted to 4.4% in Italy.** While in America there were 2 part-time and 3 flexitime workers. Teleworking is used to allow the disabled to participate actively in the work.

Women in a managerial position account for **31.5% of all managers.** While women in an executive position account for **18.8% out of the total number of executives.**

Subdivision of Staff by Role and Type

		EXECUTIVES	MANAGERS	CLERKS	SALESMEN	WORKERS	TOTAL
f 	2010	18.8%	31.5%	40.5%	28.3%	23.4%	28.1%
	2011	19.45%	37.6%	47.3%	13.2%	17.4%	27%
m 	2010	80.55%	62.4%	52.7%	86.8%	82.6%	73%
	2011	81.2%	68.5%	59.5%	71.7%	76.6%	71.9%
	2011	180	854	1,770	541	5,421	8,766



Safety at Work

IN 2011 THERE WERE 177 ACCIDENTS, -34% WITH RESPECT TO 2008. THE DAYS OF ABSENCE DUE TO ACCIDENTS SIGNIFICANTLY DECREASED, WITH THE SEVERITY INDEX AT 0.63%, DOWN BY -36% COMPARED WITH 2008. IN 2011, THE FREQUENCY INDEX, CALCULATED ON THE NUMBER OF ACCIDENTS IN RELATION TO THE NUMBER OF HOURS WORKED BY EMPLOYEES, CAME TO APPROXIMATELY 17 (-31% VS. 2008).

TRAINING

In 2011, on average, each employee received around **6 HOURS** training on health and safety. Themes dealt with included: handling emergencies, fire prevention, first aid, the contents of Barilla's Integrated Safety and Environment System Manual, the manual handling of loads, principles of ergonomics, safe use of fork-lift trucks, noise risk, electrical risk, dust risk, handling lifting apparatus, individual protective devices, training of supervisors, safety at work for external companies.

SAFETY AUDITS AND FIRE PREVENTION

In 2011 **105 AUDITS** were carried out to check on the work environment, health and safety, 86 of which specifically concerned Safety and Fire Prevention

Accident Frequency Index *number of accidents ÷ hours worked by employees x 1,000*

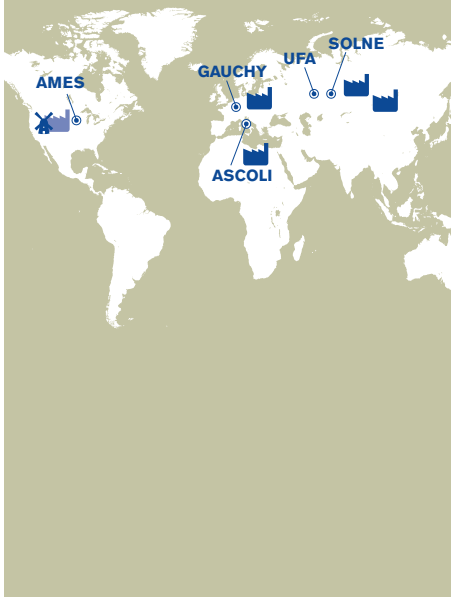


Accident Severity Index *days of absence due to accidents ÷ hours worked by employees x 1,000*



[Zero Accidents]

Last year, the plants at ASCOLI (ITALY), AMES (USA), SOLNE and UFA (RUSSIA), GAUCHY (FRANCE) like a good deal of the MILLS reached the cherished goal of "Zero Accidents".



OHSAS 18001

In 2011 Barilla's Health and Safety Management System, was extended to comply with the British Standard Occupational Health and Safety Management System, 18001, including the plants at **NOVARA, FILIPSTAD, TALMONT** and **LA MALTERIE**.

Today, 81% of total production takes place at certified plants and the Integrated Safety and Environment System Plant Manual is available in 9 languages.

BARILLA HSE GUIDELINES

Guidelines are now available on the Machine Directive, the managing of ATEX risk, assessing Chemical/Dust Risk and the manual handling of loads, the management of external companies, and the Fire Safety Manual. Moreover, in 2011, work began to introduce a web system to manage better a part of the performance of external companies.

Extension of OHSAS 18001 to Plants



OHSAS 18001 certified in 2011



81%

of total production carried out in certified plants (in 2011 Novara, Philipstad, Talmont, Malterie were added).

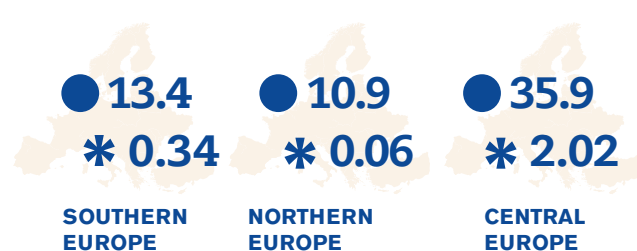
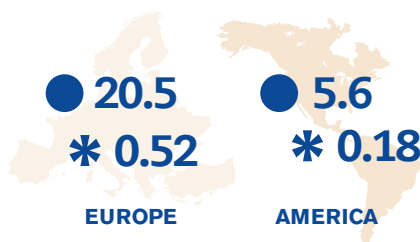
Detail of Severity and Frequency Indexes Subdivided by Geographical Area

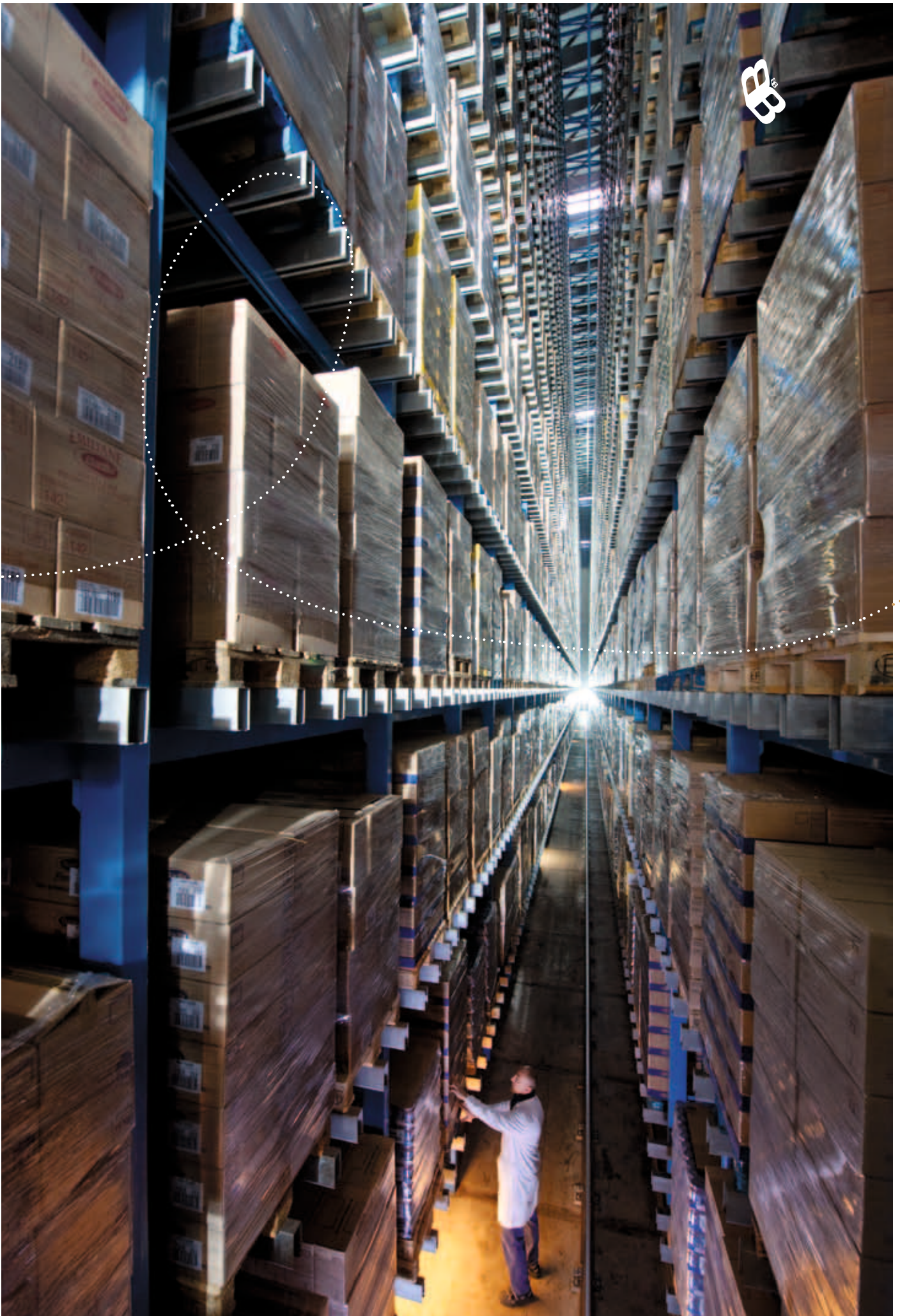
2011

PASTA AND SAUCES

BAKERY PRODUCTS

● Frequency Index
* Severity Index





SEE STRATEGIC DIRECTION 3:
BUILDING LOCAL RELATIONS

Listening to People

Barilla guarantees People the **right** to be listened to and kept informed clearly and transparently.

[Contacts with People]

In 2011, Barilla's Consumer Service units had contact with People for various reasons:

30.3% information on promotional initiatives.

23.1% product information.

22.3% general inquiries about the company.

19.6% expressions of dissatisfaction.

4.7% inquiries about nutrition or food safety.

THE EVOLUTION OF THE CONCEPT OF QUALITY IS REFLECTED IN A CHANGE IN THE RELATIONSHIP BETWEEN THE COMPANY AND PEOPLE, BASED ON A GROWING REQUEST FOR INFORMATION AND TRANSPARENCY ON THE PART OF THE PEOPLE.

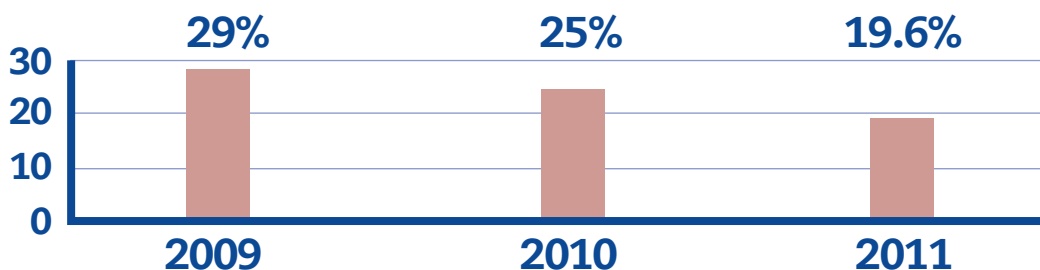
This process has seen remarkable acceleration, above all following the spread of digital social communities. For this reason, today it is vital that companies offer communication channels that are immediate and accessible so that People can receive timely replies on any aspect of the intrinsic characteristics of the offer: raw and packaging materials, production processes and finished products including any pathologies linked to the use of foodstuffs.

LISTENING TO PEOPLE IS AN IMPORTANT OPPORTUNITY FOR BARILLA: indeed the comments received are circulated round the company and used to improve products and services in order to satisfy customer and staff's expectations more and more.

THE PERCENTAGE OF REASONS FOR DISSATISFACTION OUT OF THE TOTAL NUMBER OF COMMENTS HAS FALLEN NOTABLY SINCE 2010 (**FROM 25% TO 19.6%**) AND ALSO COMPARED TO 2009. THERE HAS BEEN STEADY INCREASE IN GENERAL INTEREST ABOUT THE COMPANY COMPARED TO LAST YEAR (22.3%).

Moreover, People are increasingly interested in the launch of new products, on their availability on the shelf, novelties on new platforms, and new technologies.

Reasons for Dissatisfaction



Listening to People on the Web

By means of the Web, Barilla is trying to create interactive spaces where People can express themselves, ask questions, highlight critical points or make suggestions. The **NEL MULINO CHE VORREI** project, created in 2009, is now not just a laboratory of ideas, with over **10,000 SUGGESTIONS** sent, but also a tool for listening and learning. Its natural evolution was the first "brand loyalty programme" based on participation designed to provide answers to questions about the brand, plus games that make it possible to identify and collaborate with the brand ambassadors. Lastly, the needs of internationalisation and communication on foreign markets have led to the definition of a system of digital communication designed to maintain coherence and consistency in the information provided. The Barilla and Mulino Bianco sites are just the first examples which, over time, will be extended to all the countries where the company is present.

The Main Questions People ask Barilla

THE “QUALITY QUESTIONS” ARE VARIOUS AND ARTICULATED: FOLLOWING THE MAIN QUESTIONS ASKED TO BARILLA BY PEOPLE AND THE RELATIVE ANSWERS.



Can I put good food on my table every day for an accessible price?

BARILLA GUARANTEES GOOD SAFE PRODUCTS AT AN ACCESSIBLE PRICE.

However, this price must be equally sustainable for everyone involved in the production supply chain: from supply of the raw materials, to the processing, packaging, distribution and sale. Barilla is a market leader in pasta in Italy and other countries where the Barilla brand is present, the quintessential symbol of Italian gastronomy, and with three leading brands at a local level (Misko in Greece, Filiz in Turkey and Yemina in Mexico). The company also offers ready sauces featuring over 40 different recipes to satisfy People's tastes around the world. The bakery products cover different consumption moments from breakfast to snacks. This is a range that includes almost 180 products, the fruit of 35 different production technologies and in every price bracket.



Can I be sure that the products I eat every day are safe for me and my family?

BARILLA CARRIES OUT STRICT CHECKS ON ITS PRODUCTS.

Quality control is applied in the Group's 41 production centres that manufacture 900 products. In 2011, around 120,000 lots of finished product underwent organoleptic, microbiological and chemical-physical controls with a conformity of 95.5%. The whole Group is now subject to thorough control of quality and safety characteristics of all the raw materials used. In 2011, 55,000 lots of raw material were analysed with a Compliance Index of 96.4%. All cases of non-conformity with Barilla's requirements resulted in the products not being used.



Can I have new products, created and realized in an innovative way starting from raw materials other than wheat?

SINCE 1975, WITH THE CREATION OF MULINO BIANCO, BARILLA HAS INVESTED IN ACTIVITIES NOT LINKED SOLELY TO WHEAT.

This has not only allowed us to differentiate production and the consequent access to new market areas, but has brought good quality new products to the table to enrich the daily diet. As well as Mulino Bianco bakery products, there are also the products by Wasa and Harrys, which now represent an important part of Barilla's production round the world.



Is this food produced with respect for human rights?

BARILLA HAS ALWAYS RESPECTED HUMAN RIGHTS.

Since 15 December 2011 Barilla has taken part in the initiative to promote the Ten Principles of the UN Global Compact. These principles cover: the Environment, Human Rights, Labour, and Anti-Corruption.

From 2012 Barilla is asking new suppliers and co-packers present in areas deemed risky from a point of view of social and environmental rights, to join the Global Compact initiative before beginning to work with them.



Will what I am eating make me stay well and preserve my health over time?

BARILLA PAYS A GREAT DEAL OF ATTENTION TO THE NUTRITIONAL ASPECTS OF ITS PRODUCTS, AS WELL AS THE ORGANOLEPTIC QUALITIES, AND OCCUPIES ITSELF WITH INFORMING PEOPLE ON THE CORRECT USE OF THE FOODS IT OFFERS.

This is because Barilla wishes to bring wellbeing into People's lives and guarantee their good health over time. For the same reason the Nutrition Advisory Board was set up, an authoritative group of experts that steer the company's decisions on nutrition. As for its products, Barilla is constantly reformulating them, in particular lowering the salt and fat content and avoiding the use of artificial colourings, preservatives and GMOs. Moreover it is committed to launching new products with a higher content of cereals, fibre, fruit and vegetables. In addition, Barilla tries to maintain a high profile in education and the provision of information, both by informing the general public via the product packs, and by way of various initiatives, promoting a healthy varied diet and correct physical activity.



Are my dietary choices damaging to the Planet?

BARILLA PAYS A GREAT DEAL OF ATTENTION TO THE ENVIRONMENTAL ASPECTS OF ITS PRODUCTS.

Beside the Food Pyramid of the Mediterranean Diet, the BCFN has constructed an Environmental Pyramid, reclassifying the same foods as regards their impact on the environment. The assessment of the environmental impact associated with each single foodstuff was calculated from public information and data processed using the method known as the Product Life Cycle Analysis. A method that calculates the water impact, emission of carbon dioxide and the area of the Planet necessary to regenerate the resources consumed to produce a single product and dispose of the relevant waste. Thanks to this Double Pyramid, Barilla has reformulated many existing products and launched many new products. In addition, Barilla is putting into place a Sustainability Management System to measure and improve the environmental and social impact of its business. In addition, Barilla tries to maintain a high profile in education and the provision of information, both by informing the general public via the product packs, and by way of various initiatives, promoting a healthy varied diet and correct physical activity.

5. MORE CHOICE AND MORE KNOWLEDGE FOR GOOD NUTRITION

IN THIS CHAPTER
YOU WILL DISCOVER
BARILLA'S MAIN
ACTIVITIES TO PROVIDE
CORRECT INFORMATION
ON, AND EDUCATION,
IN EATING AND
MOTOR ACTIVITY.

[Nutrition]

“ We have brought the Mediterranean Diet Model up to date, making it more suitable for a modern lifestyle. ”

Gabriele Riccardi

Professor of Endocrinology and Metabolic Diseases at the University of Naples, and Member of the BCFN Advisory Board

1.
BARILLA AND ITS
WAY OF DOING
BUSINESS

2.
COMPANY
MANAGEMENT

TOWARDS A
SUSTAINABLE AND
INTEGRATED SUPPLY
CHAIN. FROM FIELD
TO FORK

3. 

4. 
TOTAL QUALITY
IS SUSTAINABLE
QUALITY

5. 

MORE CHOICE
AND MORE
KNOWLEDGE
FOR GOOD
NUTRITION

[The Double Pyramid]

The relationship between People's diet, lifestyle and health is now scientifically proven and shared globally. In light of this, the food industry has a primary role in providing effective responses to People's different lifestyles with products that suit demand and are appropriately supported by consistent and responsible communication campaigns.

MORE CHOICE, MORE KNOWLEDGE

For Barilla, the primary task of a large company that operates in the food and nutrition sector is to supply products that are healthy and designed to contribute to People’s wellbeing.

[Mediterranean Diet]

A healthy balanced diet contributes to our daily wellbeing. A varied diet combined with regular physical activity and convivial meals are the basis of the **MEDITERRANEAN DIET PYRAMID**, UNESCO Intangible Cultural Heritage of Humanity 2010.

Barilla is also committed to inform those who choose its products on correct consumption and lifestyle, from childhood onwards.

Every day, Barilla manufactures and markets products that People put on their table and that are designed to meet the needs of those who consume them. The Company has chosen to follow the Mediterranean Diet model, but it also proposes a **LIFESTYLE** which skilfully combines **TASTE AND WELLBEING**, consistent with specific research promoted by the Group and organised into various educational projects. Barilla is aware of the food paradox “obesity and malnutrition” in the countries where it operates, and has long undertaken continuous information and educational activities, specifically structured according to the addressees, either children from 3 years of age up, or adults.

EDUCATIONAL activities for children and teenagers are based on projects differentiated by age, and developed with the cooperation of nutritionists, sports doctors, developmental psychologists, educators, paediatricians and auxologists.

INFORMATION AND TRAINING activities for adults are performed through the provision of information and suggestions on packs, initiatives to promote healthy eating models, supported by nutritional reformulation of products.

Physical activity and convivial meals are the basis of the Mediterranean lifestyle.



➤ Please see chapter 1 “**Barilla and Its Way of Doing Business**”.

➤ Please see **Research Activities** in this chapter.



Barilla 2011 Nutrition and Education Figures

46

new products launched in 2011 for specific nutritional needs

111

products reformulated since 2008

468

products with nutritional claims on packaging

Nutrition and Education Objectives up to 2014

Ensuring autonomy and sustainability over time to the activities of the Barilla Center for Food and Nutrition, BCFN.

Enhancing Barilla's sustainability principles in the communication of the brands in its portfolio.

Implementing continuous improvement plans to increasingly align current and future supply with Barilla nutritional guidelines, taking into account the results of the Double Pyramid studies.

Facilitating aware choices by People, by providing the following information on the pack labels and/or websites of brands:

- detailed nutrition tables;
- suggestions for a healthy lifestyle;
- suggestions for use;
- waste disposal methods and other relevant environmental aspects.

Developing Barilla's corporate cause "Balanceat" at both Group and brands levels, through education and training on overeating and support in access to food, also by enhancing the experience gained through the Giocampus project.

Developing education programmes on correct eating habits and lifestyles for all Barilla employees in the main countries where the Group operates.

88%

of packs have a detailed nutrition facts table

34%

of packs provide recommended consumption amounts for a healthy lifestyle

67%

of packs provide suggestions for a balanced diet

7,500
children

involved in Giocampus School in 2010/2011

[FOCUS]

Eating Habits and Excess Food

“ Unhealthy lifestyles and food supplies are driving eating habits increasingly away from the Mediterranean Model, even in the countries where it originated. This is due to social changes that have led to the emergence of bad eating habits. ”

A. MAJOR SOCIAL CHANGES:

- Increased sedentary lifestyle.
- Destructuring of meal preparation: little time to cook, low consumption of fresh foods and fewer cooking skills.
- Destructuring of time devoted to eating: fast and immoderate consumption of food.
- Increased frequency of meals outside the home: less choice and more passivity of People with regard to correct food choices.

B. MAIN BAD HABITS:

- Reduced consumption of fruit, vegetables, pulses and whole grain products.
- Taking meals alone or with the TV on.
- No regular breakfast.
- Reduced physical activity.

All this has led to a dramatic increase in obesity. Particularly alarming are the data concerning children. According to the International Obesity Task Force, in the world school children who are obese or overweight are **155 MILLION**, i.e., **1 OUT OF 10**. In the European Union Member States every year there are approximately **400 THOUSAND MORE OVERWEIGHT CHILDREN** and over **85 THOUSAND OBESE** ones (2007 European Commission White Paper). Moreover, Italy ranks third in the world list for the highest number of obese children.

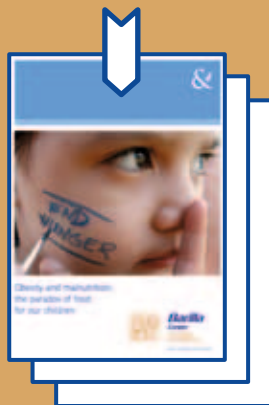


For further information, please visit www.barillacfn.com

[Food for Health]



BCFN reference area

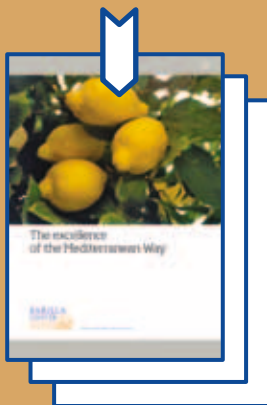


“OBESITY AND MALNUTRITION: THE PARADOX OF FOOD FOR OUR CHILDREN”

[Food for Culture]



BCFN reference area



“THE EXCELLENCE OF THE MEDITERRANEAN WAY”

According to the European Commission, cardiovascular diseases are the leading cause of death in the European Union and the origin of approximately **40%** of deaths, amounting to **2 MILLION A YEAR**.

The main causes of these diseases are tobacco and alcohol consumption, diet, physical activity and psychosocial stress. Both the problems associated with obesity and those associated with heart diseases represent a significant cost for the community.

For cardiovascular disease alone, in 2006 the European Commission estimated a financial burden for the EU health services of **110 BILLION EURO**. This amounted to a per capita cost of **223 EUROS** per year, approximately **10%** of the EU's total health expenditure.



SEE STRATEGIC DIRECTION 1: BUILDING KNOWLEDGE

Double Pyramid

The Barilla Group's commitment to research.

[Food for Sustainable Growth]



BCFN reference area



“2011 DOUBLE PYRAMID: HEALTHY FOOD FOR PEOPLE, SUSTAINABLE FOR THE PLANET”

[The Model]

The eating pattern traditionally adopted in the Mediterranean area is one of the most balanced in terms of nutritional profile and it is recognised as one of the top food models in terms of physical well-being and prevention of chronic cardiovascular diseases.

In terms of research activities, in 2011 the Barilla Center for Food and Nutrition focussed on the study of the Double Food-Environmental Pyramid (“Double Pyramid” paper, June 2010). Starting from the Mediterranean Diet food pyramid, an environmental pyramid was constructed on which foods were ranked according to their impact on our Planet. **It was thus demonstrated that the foods at the base of the Mediterranean Diet are also those with the lowest environmental impact.**

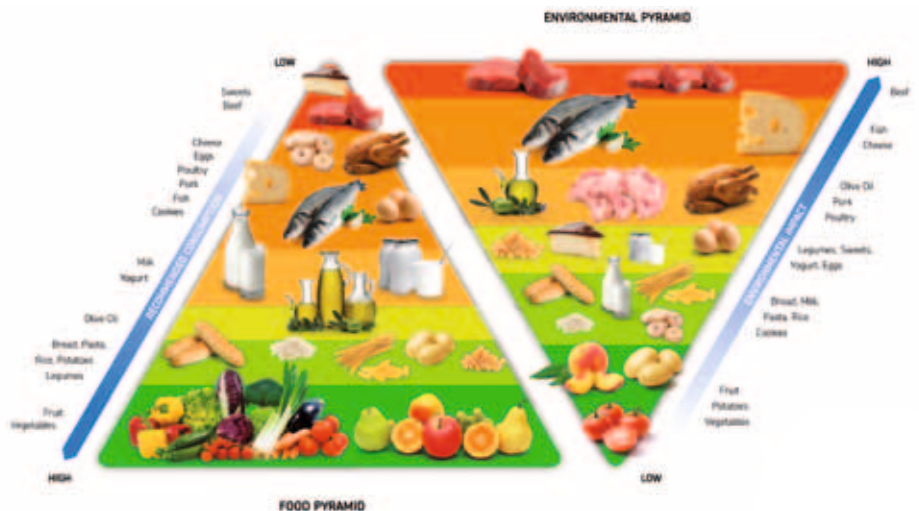
The environmental impact associated with each individual food was assessed based on public data and information calculated using the Life Cycle Assessment (LCA) method, in terms of Carbon Footprint (generation of green-house gases), Water Footprint (consumption of water resources) and Ecological Footprint (land use).

See chapter 3 “Towards a Sustainable and Integrated Supply Chain. From Field to Fork”.

This combination showed that foods have specular inverted placing in the two pyramids: those at the base of the Food Pyramid are those at the top of the environmental one.

People’s health and environmental protection can be pursued with the same means.

In 2011, the Barilla Center for Food and Nutrition updated the Environmental Pyramid with new calculations made over the year.



© BCFN 2011



“By combining the two pyramids, therefore, the Food and Environmental **Double Pyramid** was obtained, which shows that the foods which it is generally recommended to consume more of are also those that cause the lowest environmental impact.”

The Double Pyramid “for Those Who Are Growing”

Summary of Macro-Guidelines for Healthy Growth

Adopting a healthy balanced diet that daily alternates all the main foods, will provide all the nutrients and micro-nutrients (calcium, iron, vitamins, etc.) which children and adolescents require.

Avoiding excessive intake of calories due to consumption of high-calorie foods or with high concentrations of fat.

Correctly distributing nutrients throughout the day, ensuring a balance between intake of animal and vegetable proteins, of simple and complex sugars (by eating fewer sweets, more bread, potatoes, pasta or rice), of animal and vegetable animal fats (using less lard and butter and more olive oil).

Minimizing additional salt intake, in order to reduce hypertension risk factors, especially in adults.

Splitting food intake into five meals a day: breakfast, morning snack, lunch, afternoon snack, and dinner.

Avoiding food consumption other than the above five meals.

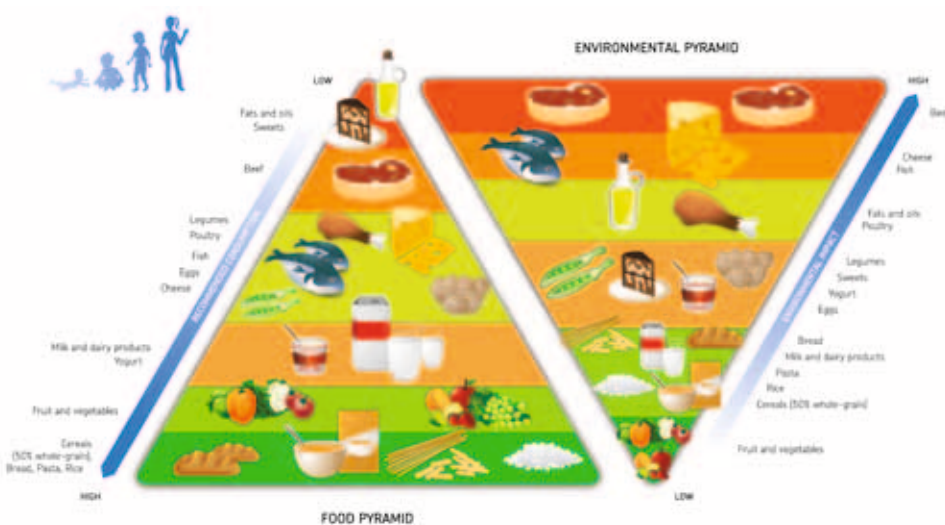
Doing at least one hour of physical activity a day, including both sport and leisure activities.

Reducing sedentary life as much as possible, in particular time spent in front of a screen (television and computers).

The Double Pyramid **“FOR THOSE WHO ARE GROWING UP”** follows the same approach as the “adult” version, combining the food pyramid with the environmental one, but is constructed based on the nutritional requirements of **CHILDREN** and **TEENAGERS**.

When considering children, or in general People who are still growing (up to 20 years of age), certain foods have a different importance.

The guidelines issued by the USDA – United States Department of Agriculture (one of the references considered), recommend a distribution of protein sources – in particular meat sources – that is different from that of adults. This recommendation does not affect the validity of the Double Pyramid: foods with low environmental impact are still the ones which it is recommended to consume more of.



For further information, please visit www.barillacfn.com.

INHES Project

INHES is a research project sponsored by Barilla and aimed at identifying Italians' eating patterns.

[INHES]

ITALIAN NUTRITION AND HEALTH SURVEY

This Project was created to study changes in the eating habits of Italians using a scientific approach. The **INHES Observatory** was set up by the Research Laboratories of the **CATTOLICA UNIVERSITY of CAMPOBASSO** and is a scientific structure engaged in the field of prevention and in the study of relationships between lifestyles and health. It consists of doctors, epidemiologists, nutritionists, biologists, experts in scientific communication and IT. **INHES** was carried out thanks to **BARILLA's** sponsorship.

OBJECTIVES:

- Identifying **eating patterns**, obtaining a complete picture of how Italians spontaneously combine food and drink.
- Studying the effects that eating habits have on People's **quality of life**.
- Examining the **differences** between the various areas of the Country, between different age groups, social classes and between men and women.
- Identifying the level of compliance with the **Mediterranean Diet Model**.
- Identifying the **elements or factors of people's** life influencing his/her eating choices.

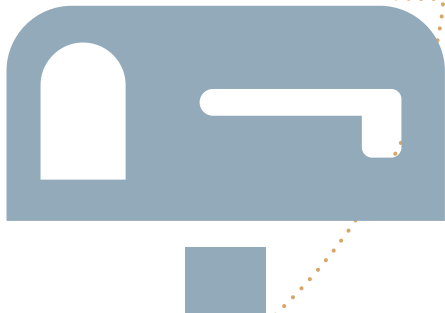
METHODS:

SAMPLE SELECTION: a population-representative sample of **10,000 ITALIANS** was invited to participate in this study, which was subdivided into different age groups. Selection was made randomly. Participants were contacted both by letter and by phone and were provided with a "Food Portion Atlas" allowing them to easily identify the amounts of each food consumed.

INTERVIEW: 30 MINUTES, by phone, by appointment. From breakfast to dinner, this project gave a "photograph" of Italians' daily eating patterns. However, the **INHES OBSERVATORY** does not focus only on food, but on the study of lifestyle as a whole. This is the reason why participants were asked not only what and when, but also "how" they eat, in order to acquire data that are seemingly trivial, but have been proven significant by recent scientific studies on the food-health relationship.

PROJECT DEVELOPMENT:

The project activities started in November 2010, and by January 2012, **14,500** letters had been sent inviting participation in the study and **4,878** telephone calls had been made.



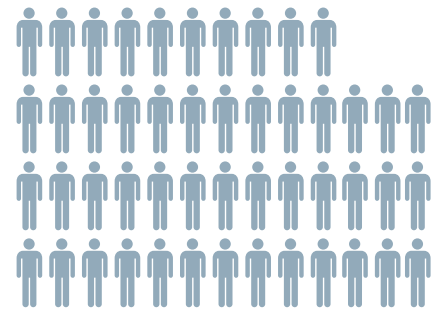
14,500

LETTERS SENT WITHIN ITALY



4,878

PHONE CALLS



10,000

PARTICIPANTS





SEE STRATEGIC DIRECTION 2:
BUILDING A SUSTAINABLE COMPANY

Barilla Products

Reformulation of Existing Products and Launch of New Products

A large part of the products in the Barilla Group's portfolio rank at the base of the Food Pyramid and daily consumption of these foods is appropriate for a balanced diet. The Company is committed to continuous improvement of existing products and the launch of new ones that are consistent with the nutritional models that we promote.

“Barilla is aware of the importance of a healthy diet and in the last few years has promoted the values of Wellbeing, namely, healthy eating and an active lifestyle, first and foremost through its products.”



Over the last three years, 103 PRODUCTS have been improved, of which 141,000 tons were sold in 2011, accounting for 8.5% of total world sales.

NO Barilla PRODUCT contains GMOs, hydrogenated fats or oils, or artificial colourings, and strict criteria are applied in selecting ingredients to ensure quality and safety.

In 2011, 15 products benefited from the ELIMINATION OF ADDITIVES.

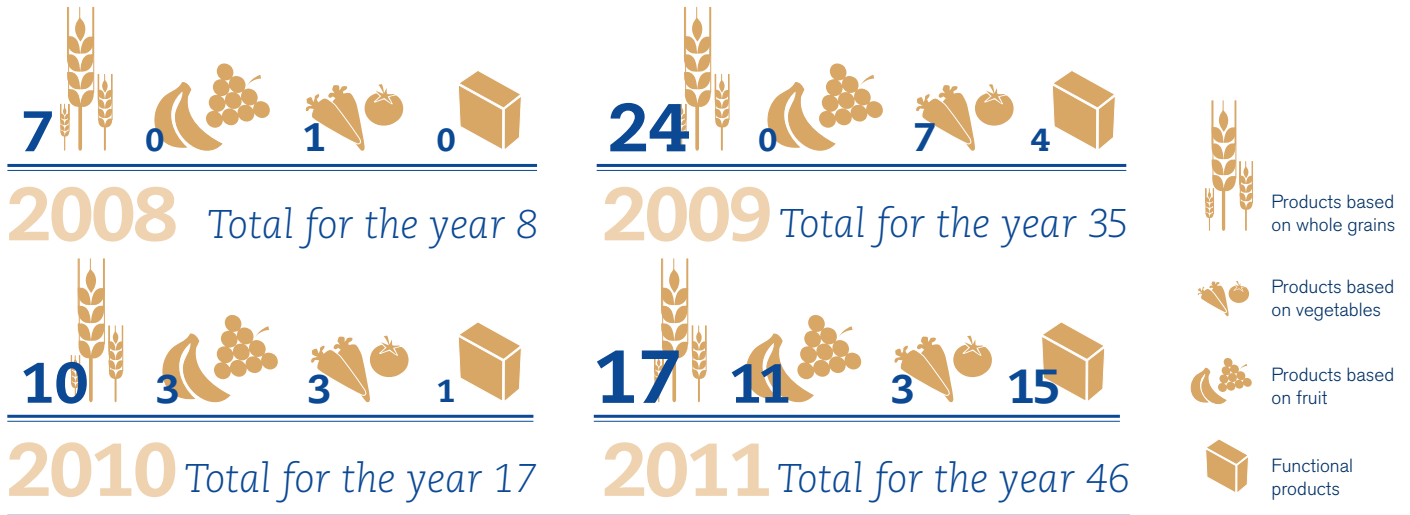
(Harrys Soft Bread: Extra Moelleux Brioché; AMS Brioché; Pain de mie nature canapé; Toast foie gras; Toast au saumon; Toast noix; Toast aux figues; Toast spécial huitre; Mini canapé LC; Mini tout ronds nature; Mini tout ronds brioché; Pavé fois gras - Moorning good Harrys; Brioche Tranchée Nature; Brioche Tranchée Light; Brioche Tranchée Trendissime).

Since 2009, 98 NEW PRODUCTS have been launched designed to meet specific nutritional needs, with sales in 2011 exceeding 30,000 tons, accounting for approximately 1.8% of total world volumes (these amounts also include the new whole grain products).

In 2011, 46 NEW PRODUCTS were launched, designed to meet specific nutritional needs.

Among these, the Mulino Bianco products: the cups of the “Storie di Frutta” range, 2 new “Storie di Frutta” smoothies and 3 types of “Liberi per Natura” steam-cooked biscuits, the Grancereale brand cups, 3 Wasa brand new products and 6 new Wasa Breads. All the new products have been designed to offer specific nutritional intake without affecting their taste and the pleasure of good food on all occasions.

New Products Designed to Meet Specific Nutritional Needs



[Nutrition Advisory Board]

Applying the research results to product design or reformulation is not easy. To tackle the task, Barilla has set up a Board of expert nutritionists who have helped to convey knowledge to researchers and professionals of the company.

This knowledge has been translated into nutritional guidelines for the design of **NEW PRODUCTS** and to steer the improvement of existing ones. In line with the Double Pyramid, the priorities for the expansion of the product range include the following: products based on cereals, fruit, vegetables and pulses. The products are also formulated to limit intake of certain nutrients that are often consumed in excess, such as sodium from salt, total fats and saturated fats in particular.

Gaining Health Project

For Barilla, improving the nutritional profiles of its products is not only a business commitment: it is also a contribution to the initiative promoted by the **ITALIAN MINISTRY OF HEALTH**, "Gaining Health", which involves many factors related to people's health, including the improvement of food products with a focus on salt content. Barilla has followed up its participation by significantly reducing the **SALT CONTENT** of numerous products.

After the success in 2010 of the reformulation of the first products (Tascotto e Pan Bauletto Bianco con Fibra), in 2011, the Group has put other reformulated products on stores' shelves, which qualified to have the **Gaining Health Project** logo on their pack. These are **20 NEW PRODUCTS**: Pan Carrè; Piadelle Classiche; Piadelle Sfogliate; Pan Bauletto Bianco; Cuor di Pane; Pan Bauletto 5 Cereali e Soia; Pan Bauletto al Grano Duro; Sfilatini a Grano Tenero; Tartarughe al Grano Duro; Pagnotta al Grano Duro; Pagnotta Rustica; Filone Rustico; Filone al Grano Tenero; Pagnottelle Classiche; Pagnottelle Hot Dog; Spaccatine Integrali; Grissini Torinesi; Grissini Friabili; Sgranocchi; Raggianti. Not only is this initiative in line with the Group's objectives for continuous improvement from a nutritional standpoint, but also represents an important cooperation between a public institution and private businesses.

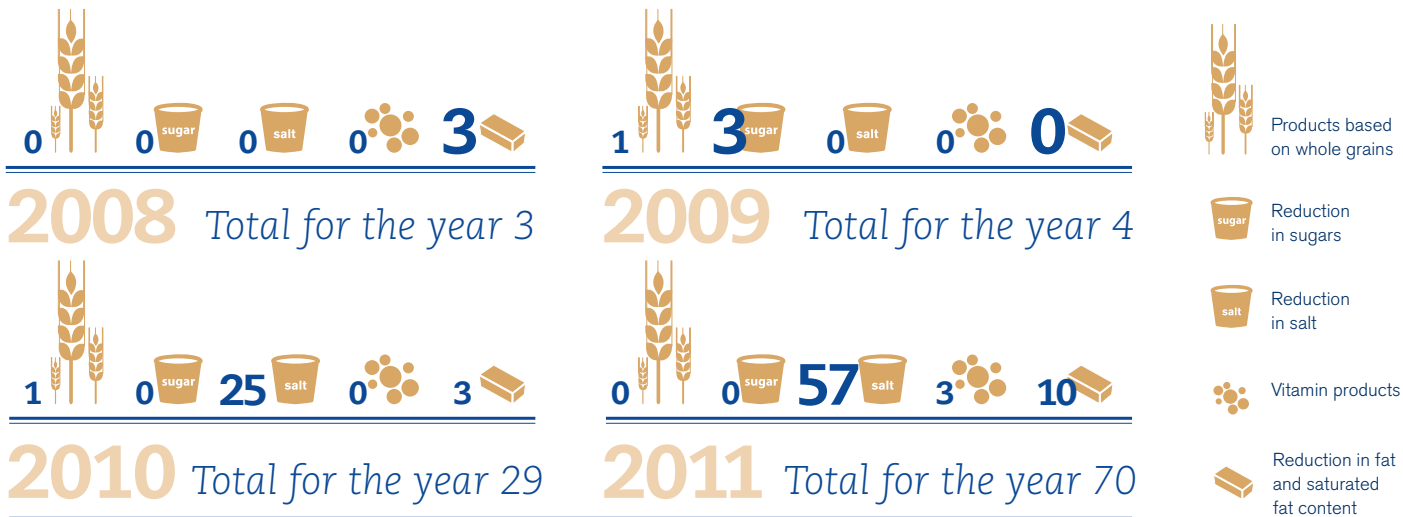
Investments in Research on Nutrition

Taking into account research activities and participation in national and international conferences (10 in 2011) and making full use of the analyses carried out by the Nutrition Advisory Board and product reformulation,

Barilla invested 4.8 million Euro in research on nutrition in the last three years.



Products that Were Reformulated to Improve Their Nutritional Profile



[Informing People]

In addition to nutritional and environmental information on its products, Barilla provides information on its product portfolio through the traditional mass media: television, radio and press.

The advertising style tries to convey messages that go beyond simple product promotion, but also spread an active lifestyle and the principles of a balanced diet.

The creative and emotional style calls People – especially children – to consume products in moderation, with an always active lifestyle.

In early 2012, and for the first time, Barilla associated messages on their way of doing sustainable business with a communication in the traditional media, such as the new Mulino Bianco advertising campaign.

We believe that a fundamental role in food education is played by the immediate family: this is why our TV commercials have a daily life setting, and where possible outdoors.

Plasmon Misleading and Defamatory Comparative Advertising

Between late November and early December, Plasmon began a sensational comparative advertising campaign against Barilla providing misleading data, also in the way they were published, making it appear that some Barilla products, and in particular those of the Piccolini line, were suitable only for adults, and not for children in general. Barilla filed an urgent petition with the Law Court of Milan against this violent and unjustified attack, requesting its termination. The Court, with an immediate decision which was later upheld in two further instances of proceedings, banned this advertisement, deeming it misleading and defamatory. Barilla also applied to the Advertising Self-Regulation Jury, requesting, also in this case, the termination of the comparative advertising campaign. Also the Self-regulation Body prohibited the continuation of the comparative campaign, again because of its misleading and defamatory nature.

In the two proceedings, Plasmon maintained that the “Piccolini” trademark and the “A Mangiare Bene Si Comincia da Piccolini” slogan were deceptive, but both the Court and the Advertising Self-regulation Jury rejected its petition for an injunction prohibiting their use. However, the Jury did prohibit the slogan from being used in a context leading to the belief that Piccolini meant infants under three years. Also subsequent to this, Barilla has accelerated the process to have all packs of the “Piccolini” line bear a clear statement of the product’s intended use “for adults and children over three years”, as already planned since February 2011 and implemented starting from this date.



Both the Law Court, before which the proceeding is continuing for damage compensation, and the Advertising Self-regulation Jury considered comparative advertising admissible in itself, but illegal in this case since it was performed in such a way that made it seriously misleading and defamatory.

Communicating Through Packs

Packs are one of the means by which the Company communicates its commitment to the People who buy its products.

On product packs, for example, in addition to the complete list of ingredients and the potential presence of allergens, there are suggestions for a healthy lifestyle. There is also information on the ideal consumption amounts and suggestions for a tasty and healthy preparation of the product.

OVER 468 PRODUCTS, EQUAL TO 34% OF TOTAL PRODUCTS, HAVE HEALTH OR NUTRITION INFORMATION ON THE PACK.

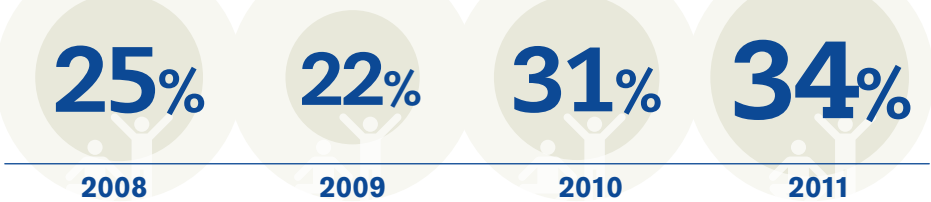
[Communication]

Barilla uses different channels to communicate with the People who buy its products: packs, websites, social networks.

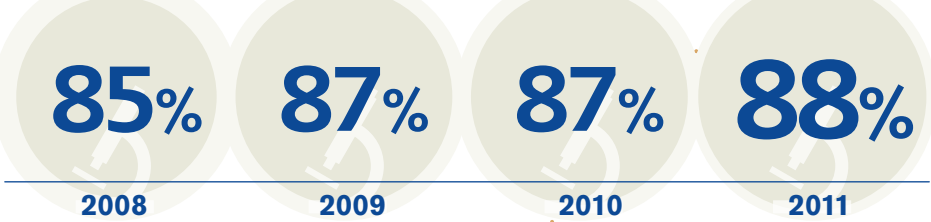
However, all messages on all channels, must comply with **THREE SIMPLE RULES**, which are essential principles:

- Providing information that is more comprehensive than those provided for by labelling regulations.
- Backing up product quality with rigorous scientific data.
- Including, especially in communications on products for children, information about healthy lifestyles.

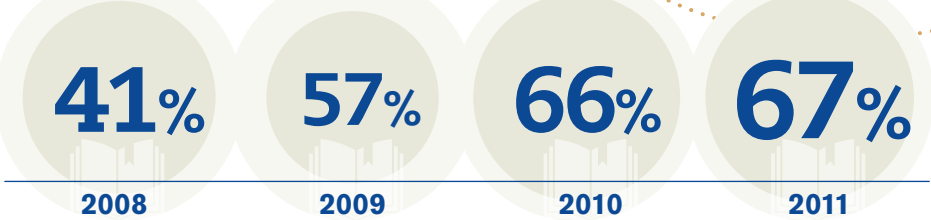
Products with Suggestions for a Healthy Lifestyle



Products with Nutrition Facts Tables



Products with Suggestions for Use



Commitment to the Environment

For Barilla, the information given on its packs must not only concern food and nutrition, but also the environmental quality of Barilla products and how everyone can contribute, through their behaviour, to environmental protection. For example, People are provided with indications on the correct container to dispose of the product pack complying with differentiated waste collection.

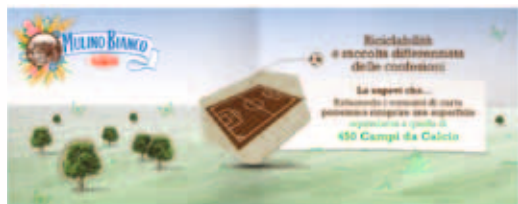
These indications use encoded symbols. The objective is to transform waste into a resource. Many products have been assessed using the Life Cycle Analysis (LCA) method and their rating is available on the website www.environdec.com.



For more opportunities for further study, visit www.mulinobianco.it



Come noi progettiamo gli imballi per ridurre l'impatto ambientale



[Scientific Publications]

In 2011, Barilla's applied research experience was reported in several scientific publications, including:

- Poster "6th Probiotics, Prebiotics and New Foods" Rome Sept 11 – 13 2011, "In Vitro Effect of Four Natural Flours. Fermentation on Gut Microbiota Parameters". R. Chitarrani, P. Carnevali, S. Maccaferri, P. Brigidi, A. Klinder, G.R. Gibson, A. Costabile.

- Poster WORLD IMMUNE REGULATION MEETING – Davos 24-27 March 2011, "Immunological Changes in Elderly Subjects after Probiotic Supplementation". A. Finamore, M. Rosselli, E. Brasili, P. Carnevali, E. Mengheri.

Nutritional and Environmental Information on the Web

The Web represents an excellent opportunity to involve People and convey messages that otherwise would not find space on packs or would require far more time and detail than traditional media can allow. For this Barilla has a three-year strategic plan, aimed at defining the directions and guidelines for positioning in the digital world. Websites are not the only place for brand communication. The importance of social networks is increasing, in order to both constantly convey novelties and to engage People in real experiences, right up to the product testing. Mulino Bianco, Barilla and Pan di Stelle have their own Facebook profile, while other platforms such as Twitter, Instagram, Flickr and Youtube have been used to develop promotions and product launches. Barilla has increased its presence on mobile digital media devices, such as tablets and smartphones, with Mulino Bianco games apps for teenagers, and, above all, through the iPasta publishing platform, which, with over 700,000 downloads, is today the most downloaded Apple app of an Italian brand in the world.

- 64% of the websites presenting Barilla products contain **nutrition facts tables**.
- 71% of the websites presenting Barilla products provides detailed suggestions for **better use** of the products.
- 43% of the websites presenting Barilla products provides suggestions for a **healthy lifestyle**.



I-Pasta: 700,000 downloads worldwide. The most downloaded App of any Italian brand.

Many Barilla brand websites suggest a virtuous connection between lifestyle, eating habits and environment. One example is the Mulino Bianco website, a virtual place where People can not only discover all the novelties from the “Mulino”, but also have the opportunity to learn about the analysis of Barilla products’ life-cycles, energy resources used, utilisation of waste and how to improve their consumption habits and lifestyle.

Moreover, in 2011, **GRANCEREALE** created a **FACEBOOK PAGE**, where, in addition to promoting the product, good habits which are more respectful of the Planet are circulated.



SEE STRATEGIC DIRECTION 3:
BUILDING LOCAL RELATIONS

Education and Information for Families and the Community



Training and Information for Families

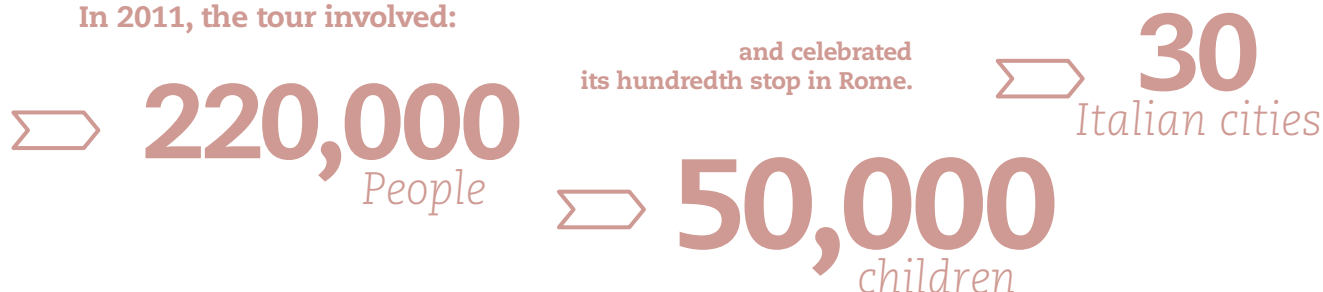
Also in 2011, Barilla provided a number of training and information activities on healthy food and lifestyle in the main cities around Italy and abroad:

- **CASA BARILLA:** an initiative to spread Barilla's culture of eating well and conviviality values: the pleasures of Italian cooking through seminars, hands-on classes with chefs, and game playing, related to cooking contests, as well as tastings of various recipes. The Casa Barilla Project has been implemented in several European Countries (Italy, France, Germany, Sweden and Switzerland) directly involving over **200,000 PEOPLE IN 19 CITIES**.
- **CUCINA INTEGRALE TOUR:** a project aimed at spreading suggestions for natural, tasty, as well as nutritionally balanced, dishes.
- **PICCOLINI GRANDI CHEF TOUR:** held in the main Italian shopping centres, and dedicated to healthy, correct nutrition for children.
- **IN 2011 THE DOUBLE PYRAMID IN THE MAIN CITIES:** "Good for you, sustainable for the Planet" was presented at the "Casa Barilla" tour stops.

An important information initiative held to spread the research wealth developed by the Barilla Center for Food and Nutrition; specifically the results showing that a Mediterranean lifestyle is also compatible with respect for the environment in which we live and for the Planet that is our home.

The MULINO BIANCO TOUR is the food education project undertaken from 2009 to inform and make Italians aware of proper and healthy eating. Behind this initiative, the food education projects "Colazione all'Italiana" and "Buona Merenda" developed by Mulino Bianco in cooperation with a multidisciplinary group of experts. In 2011, the "Momenti di Pane" project was also implemented. Particular attention is paid to children who have a dedicated permanent space, for "edutainment" (education and entertainment) activities: "Alla scoperta dei segreti degli Amici del Mulino", "Laboratorio Mani in Pasta", "Laboratorio Cibo ed Energia", "Laboratorio Orto" and "Giocacolora".

In 2011, the tour involved:



DURING THE 2011 TOUR SMALL MANUALS WERE DISTRIBUTED ON "WHOLE GRAIN CEREALS: HEALTH, WELLBEING AND TASTE" AND "LESS SALT TO GAIN HEALTH" AVAILABLE ON THE GROUP'S WEBSITE:

WWW.BARILLAGROUP.COM. MOREOVER, A SUITABLE VERSION OF THESE BOOKS FOR A MEDICAL PUBLIC WAS MADE AND DISTRIBUTED AT SEVERAL SCIENTIFIC CONFERENCES.

Educational Activities for Children Aged 3 to 5 Years

"A MANGIAR BENE SI COMINCIA DA PICCOLINI" is an educational and advertising communication project promoted by the Barilla brand Piccolini targeting **CHILDREN FROM 3 TO 5 YEARS**. The project aims at raising children's awareness of the principles of healthy correct eating, as well as the rules for sharing meals and cooking with adults.

In 2011 this initiative was implemented for the second year and extended to **6 ITALIAN REGIONS**: Emilia-Romagna, Lombardy, Piedmont, Tuscany, Veneto and Puglia. A chef, a nutritionist, a paediatrician and a psychologist were involved in this initiative implementation, who proposed a tool-kit to support teachers and families along this path, offering a range of ideas and activities to be carried out in class and at home in a team effort that places children at the centre and their role as active players at meals. Moreover, small manuals were given to teachers and parents as a supporting tool in the activities to be carried out with children.

[Giocampus Project]

SCIENTIFIC CONFERENCES IN 2011

June "Paediatricians, Family, School: a Strategic Alliance" in the 67th National Congress of the Italian Society of Paediatrics. 10th Congress of the European Paediatric Association in Vienna.

July Memorandum of Understanding between Giocampus Scientific Committee and the Italian Society of Paediatrics with the objective of presenting the project to the Italian scientific community and carrying out a study on the scientific approach of the project.

September Diabetes Voice, the quarterly magazine of the International Diabetes Federation, published "Italy's Giocampus an Effective Public-Private Alliance Against Childhood Obesity." SIPPS (Italian Society of Preventive And Social Paediatrics) XXIII National Congress, Milan. The Giocampus experience was presented in two sessions.

Educational Activities for Children

The **GIOCAMPUS PROJECT** is aimed at promoting wellbeing culture and healthy lifestyles for young people and their families in the Parma area.

This project is based on a structured educational course that targets children and teens from **5 to 16 YEARS** of age, parents, educators and paediatricians, so that the whole community can be involved in the promotion of a lifestyle based on correct motor activity, healthy nutrition and, in general, on a culture of wellbeing, which is vital to the growth of new generations.

The project is supported by a **PUBLIC-PRIVATE ALLIANCE**: the Municipality of Parma, the University of Parma, the Provincial section of the Italian National Olympic Committee (CONI), the Regional Office for Education, the Parma University Sports Centre and Barilla are the promoters of a project aimed at the community well-being involving the entire city. This educational activity involves, directly and indirectly, **30,000 PEOPLE**. Giocampus is available for children and teenagers throughout the year with educational activities divided into three phases: **SCHOOL, SNOW** and **SUMMER**.



Giocampus has implemented the collection of qualitative and quantitative data on participants with the aim of achieving scientific validation of the program. The first evidence will be available from 2012.



To learn more about the projects, visit www.piccolini.it and www.giocampus.it.

[Giocampus Project]

The Giocampus project **ALLOWS THE PROMOTION OF A WELLBEING CULTURE** thanks to **THEORETICAL-PRACTICAL TRAINING in FOOD EDUCATION** for parents, children and teachers of third, fourth and fifth grade during the project school phase.

Giocampus SCHOOL

In 2010/2011 this Giocampus phase involved **28 SCHOOLS**, for a total of **325 CLASSES** and approximately **7,500 CHILDREN**, in a wellbeing education course focussing on **MOTOR ACTIVITY AND FOOD EDUCATION**.

Motor activity was carried out in the presence of Masters in Motor Activities ISEF (Italian Physical Education Higher School) graduates or graduates in Motor Sciences. Food education with Masters of Taste (graduates in Gastronomic Sciences).

- *100% of the teachers involved said they can confirm participation in the Giocampus School Project next year.*
- *98% of the teachers involved said that the project was well up to expectation.*

Giocampus SNOW

This is an educational winter holiday week. In 2011, 262 CHILDREN AND TEENAGERS (8-15 years) took part in it and were subdivided into three shifts of 6 days each. The week's goal is to make young people more aware and self-sufficient through an innovative formula that combines exercise and techniques with healthy eating. As well as a Master in Motor Activities, since 2011 this phase has also involved a Master of Taste.

- *100% of participants rated the Snow programme as excellent or good.*
- *79% rated the organisation as excellent.*

Giocampus SUMMER

In 2011, this phase celebrated its 10th anniversary. It involved **3,197 PARTICIPANTS**, substantiating that this project meets the needs of the community. Giocampus Summer provides children and teenagers with 20 motor activities, games and expressive workshops (including care of vegetable gardens, the laboratory of taste). Every day a menu is provided which is designed to ensure variety, correct energy intake and hydration based on the program of motor education and climate conditions. A paediatrician monitors the implementation of the program.

- *81% of the participants' parents rated the project organisation as excellent.*

Giocampus LAB

For the theoretical part, the Scientific Committee teachers deal with the subjects that are the basis of proper nutrition education while the children are supported by Masters of Taste. The hands-on section is held at the Academia Barilla Kitchens, where all the players involved, together with qualified chefs, make recipes consistent with the concepts learned. At the end, the dishes prepared are shared. In 2011, Giocampus LAB, in its third edition, involved **123 TEACHERS, 200 PARENTS** and **200 CHILDREN**, who shared their experience.

APPENDIX 1

Key Performance Indicators by Sustainability Thematic Area

Environment

Indicator	2010	2011	Consolidation Scope
% of production covered by LCA studies	50	53	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number 1.
% of volumes covered by EPD	31	46	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number 1.
Ecological Footprint	Durum Wheat for Export, from field to distribution: 11 global m ² /kg.	Including Ecological Footprints of Wasa Husman, Pasta and Taraluccio.	Semolina pasta, bakery products (Taralucci) and Wasa Crispbread chains.
Carbon Footprint	Durum Wheat for Export, from field to distribution: 1,364 g CO ₂ /kg.	Including Carbon Footprint of Wasa Husman, Pasta and Taraluccio.	Semolina pasta, bakery products (Taralucci) and Wasa Crispbread chains.
GWP (Global Warming Potential) (% reduction in emission of CO ₂ equivalent)	Emissions of CO ₂ equivalent decreased by 13% in absolute value despite a production increase of about 2% . The ratio of CO ₂ equivalent emissions to finished products decreased by 15% compared with 2008.	CO ₂ equivalent emissions decreased by approximately 20% in absolute value compared with 2008, despite a production increase of approximately 1% . On the other hand, the ratio of CO ₂ equivalent (GWP) emissions to finished products decreased by 21% compared with 2008.	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number 1.
% total direct and indirect emissions of greenhouse gases per ton of transported products	26.2	26.2	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number 1.
Total Energy Consumption (Electricity + Thermal Power)	4.8 Million GJ; electricity contribution: 40% ; thermal energy contribution: 60% .	4.8 Million GJ, 41% electricity contribution, 1.9 Million GJ, 59% thermal power contribution, 2.8 Million GJ.	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number 1.
Energy consumption per unit of finished product	3.22 GJ/t	3.22 GJ/t	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number 1.
Water Footprint	Durum Wheat for Export, from field to distribution: 1,592 litres/kg.	Including Water Footprints of Wasa Husman, Pasta and Taraluccio.	Semolina pasta, bakery products (Taralucci) and Wasa Crispbread supply chains.
Total water consumption (Million m ³)	2.6	2.5	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number 1.
Water consumption per ton of finished product (m ³ /t)	1.8	1.7	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number 1.
% reduction in total consumption of water compared with 2008	13	19	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number 1.
% reduction in water consumption per finished product compared to 2008	15	20	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number 1.

Indicator	2010	2011	Consolidation Scope
Water withdrawal distribution	Approximately 60% of the water used by the manufacturing plants was withdrawn from owned wells or other underground sources, the remaining part from public water systems.	Approximately 59% of the water used by the manufacturing plants was withdrawn from owned wells or other underground sources, the remaining part from public water systems.	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number1.
Total water discharge broken down by quality and destination	About 800,000 m ³ to public sewage systems (just over 80%), the remaining part as surface runoff.	About 800,000 m ³ to public sewage systems (just over 80%), the remaining part as surface runoff.	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number1.
% of plants equipped with wastewater purification systems	60	60	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number1.
% of plants that are ISO14.001 certified	60 of Production Units, 73 of production.	60 of Production Units, 73 of production.	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number1.
% of recyclable packages placed on the market	94	96	Barilla GeR Fratelli.
% of packaging made from recycled material	40	41	Barilla GeR Fratelli.
Total weight of waste per ton of product (kg/t)	14 approximately 90% recovery/recycling (average).	13 89% recovery/recycling (average).	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number1.
Number of sanctions for non-compliance with environmental laws and regulations	1 administrative sanction for a manufacturing plant due to a failure in the management of the purification system.	1 administrative sanction for a manufacturing plant due to a formal non-compliance relating to monitoring of emissions into the atmosphere.	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number1.
Environmental investments, Safety and Fire Prevention (Million €)	Environment: about 5 ; Fire prevention (including mills and co-packers): about 3.5 ; Safety (including mills and co-packers): 11.5 .	Environment: 1.8 . Fire prevention 2.4 . Safety: 7.9 .	Barilla GeR Fratelli, excluding Harrys Russia, Number 1.
Environmental expenses by type (Million €)	Waste disposal, emissions treatment and environmental restoration costs: 1.75 . Prevention and environmental management costs: 0.65 .	Treatment expenses: 2.3 . Prevention expenses: 0.8 .	Barilla GeR Fratelli, excluding Harrys Russia, Harrys France (Gauchy) and Ames plant.

Nutrition

Indicator	2010	2011	Consolidation Scope
Number of products reformulated to improve their nutritional profile	29	70	Barilla GeR Fratelli excluding Harrys Russia.
Products that have benefited from a significant reduction in salt content	24	57	Barilla GeR Fratelli excluding Harrys Russia.
Products that have benefited from an increase in fibres and whole grain flours contents	3	0	Barilla GeR Fratelli excluding Harrys Russia.
% of products in its portfolio that contain no artificial colourings and no hydrogenated fats or oils	No Barilla products contain hydrogenated fats or oils. 99% of Barilla products contain no artificial colourings.	No Barilla products use hydrogenated fats or oils, or artificial colourings.	Barilla GeR Fratelli excluding Harrys Russia.
Products with nutrition or health information on the packages	450 (34% of total).	468 (34% of total).	Barilla GeR Fratelli excluding Harrys Russia.
Products that have benefited from the elimination of additives	12	15	Barilla GeR Fratelli excluding Harrys Russia.
Number of initiatives for good nutrition	Participation in national/international events + Giocampus + circulation of the Nutrition and Sustainability Double Pyramid + the "Gaining Health" programme of the Italian Ministry of Health.	10 attendances at national/international events + Giocampus + the "Gaining Health" programme of the Italian Ministry of Health.	Barilla GeR Fratelli excluding Harrys Russia.
% of total sales volume of consumer products, broken down by category with a reduced content of saturated fat, trans-fatty acids, sodium and added sugars	45,000 tons of reformulated products, equal to 3% of total sales in the world.	141,000 tons of reformulated products, equal to 8.5% of total sales in the world (about 100,000t of reformulated products launched in 2011 only).	Barilla GeR Fratelli excluding Harrys Russia.
Number of new products launched, designed to meet specific nutritional needs	17	46	Barilla GeR Fratelli excluding Harrys Russia.
% of total sales volume of consumer products, broken down by category, which contain ingredients enriched in nutrients such as fibres, vitamins, minerals, phytochemicals or functional food additives	Sales of new products providing specific nutritional intakes exceeded 20,000 tons (approximately 1.2% of total volumes in the world).	Sales of new products providing specific nutritional intakes exceeded 30,000 tons , accounting for approximately 1.8% of total volumes in the world.	Barilla GeR Fratelli excluding Harrys Russia.
Research carried out in cooperation with national and international Universities and Research Institutes	28	21	Barilla GeR Fratelli excluding Harrys Russia.
Economic resources dedicated to nutritional research, scientific studies on nutrition, as well as to conferences and presentation of scientific results (Million €)	5.1 (2008 -2010).	4.8 (2009 -2011).	Barilla GeR Fratelli excluding Harrys Russia.
Number of products with the logo of the Italian Ministry of Health within the "Gaining Health" programme	2	20	Barilla GeR Fratelli excluding Harrys Russia.

Indicator	2010	2011	Consolidation Scope
Number of communication campaigns (mass media/web) carried out featuring nutrition, with the most relevant examples	Data not available in 2010	3 communication campaigns: "Buona Merenda" on www.mulinobianco.it - "Meno sale per guadagnare salute" and "Alimenti integrali salute benessere", both with booklets for the general public (distributed during the "Tour del Mulino") and for the medical community (distributed at scientific events, see SINU Conference, Italian Society of Human Nutrition).	Barilla GeR Fratelli excluding Harrys Russia.
Number of new whole grain products launched	Data not available in 2010	17 new whole grain products launched. Gran Cereale Bars (3), Wasa Bars (3), Wasa bread crumbs (1), Wasa Mineral plus (1), ISHS Biscuits (2), Wasa soft bread range (6).	Barilla GeR Fratelli excluding Harrys Russia.

Governance and Human Rights

Indicator	2010	2011	Consolidation Scope
Breaches of the Code of Ethics	There were no breaches of the Code of Ethics.	There were no breaches of the Code of Ethics.	Barilla GeR Fratelli.
Total number of discriminatory incidents and actions taken	There were no incidents.	There were no incidents.	Barilla Holding, the Parent Company controlling Barilla GeR Fratelli and Lieken (Germany).
Activities identified as entailing significant risk of child labour and measures adopted to contribute to its elimination	Data not available in 2010	Cocoa and palm oil supply chain. Measures designed to prevent exploitation of child labour: all Barilla suppliers have signed the general purchase conditions, whereby they have undertaken to abide by the Company's Code of Ethics. Use of certified suppliers.	Barilla Holding, the Parent Company controlling Barilla GeR Fratelli and Lieken (Germany).
Activities with high risk of forced or compulsory labour and measures adopted to contribute to their abolition	Data not available in 2010	Cocoa and palm oil supply chain. Measures designed to prevent exploitation of child labour: all Barilla suppliers have signed the general purchase conditions, whereby they have undertaken to abide by the Company's Code of Ethics. Use of certified suppliers.	Barilla Holding, the Parent Company controlling Barilla GeR Fratelli and Lieken (Germany).
Measures adopted in response to corruption incidents	There were no corruption incidents.	There were no corruption incidents.	Italy: Barilla GeR Fratelli excluding Harrys, Barilla (USA), Yemina and Vesta, Wasa, Filiz, Misko.

Supply Chain

Indicator	2010	2011	Consolidation Scope
Number supplies chains of the most important agricultural raw materials on which control has been extended	Durum wheat supply chain, currently being extended to soft wheat, rye, and tomatoes.	The tomato supply chain is fully controlled through Barilla growing regulations that are applied by all growers' organizations. Currently being extended to soft wheat and rye.	Italy: Barilla GeR Fratelli excluding Harrys, Barilla (USA), Yemina and Vesta, Wasa, Filiz, Misko.
Main raw materials used by Barilla	Semolina: 1 million t ; Flour: 400 thousand t ; Rye: 50 thousand t ; Sugar: 50 thousand t ; Vegetable fats: 45 thousand t ; Tomato: 28 thousand t ; Eggs: 25 thousand t ; Cocoa: 9.5 thousand t ; Dairy products: 8 thousand t ; Animal fats: 7 thousand t . The sum of these raw materials accounts for 90% of the total.	Semolina: about 1 million t ; Flour: 340 thousand t ; Rye: about 50 thousand t ; Sugar: about 50 thousand t ; Vegetable fats: about 45 thousand ; Tomatoes: about 39 thousand ; Eggs: about 23 thousand ; Cocoa: about 9 thousand ; Dairy products: about 8 thousand ; Animal fats: about 7 thousand .	Barilla GeR Fratelli.
Packs broken down by raw material used	About 2 billion packs made of paper and cardboard; more than 30 thousand t of flexible film.	About 2 billion packs made of paper and cardboard; more than 30 thousand t of flexible film.	Barilla GeR Fratelli.
% of durum wheat grown locally, i.e. in the country where the pasta is manufactured	76 (excluding Yemina and Vesta)	81 Data by country: Italy 71 ; Greece 81 ; Turkey 100 ; Mexico 100 ; North America 100 (32 USA; 68 Canada).	Barilla GeR Fratelli.
% of durum wheat demand procured through the growing contracts made	43 (approx. 350,000 t) of the Italian demand for wheat.	48 (approx. 400,000 t) of the Italian demand for wheat.	Italy: Barilla GeR Fratelli excluding Harrys, Barilla (USA), Yemina and Vesta, Wasa, Filiz, Misko
Number of the important supply chains for which the relevant environmental impact has been measured	12 . An environmental impact database was created containing 120 items.	24 . The database of the environmental impact caused by the various raw materials has reached a total of 158 items.	Barilla GeR Fratelli.
% of the palm oil demand from RSPO suppliers	100% of Barilla suppliers of palm oil are RSPO members.	100% of Barilla suppliers of palm oil are RSPO members. 11% of the palm oil purchased is RSPO-certified.	Barilla GeR Fratelli.
% of audits on critical supply chains	In 2010, Barilla completed the audit of all the African processing plants of the main supplier of cocoa and started these audits for new suppliers.	3 new audits scheduled for 2012 to reach coverage of 100% of suppliers.	Barilla GeR Fratelli.
% of suppliers that are members of the International Cocoa Organization (ICCO) and the World Cocoa Foundation (WCF)	85% of suppliers are members of ICCO and WCF	100% of suppliers are WCF members	Barilla GeR Fratelli.
% of main suppliers and contractors that are audited with regard to human rights and the relevant measures adopted	100% of Barilla suppliers signed the general purchase conditions, whereby they have undertaken to abide by the Company's Code of Ethics. Specifically, labour procurement shall entail a series of certifications attesting to the legitimacy of the contracts used.	100% of Barilla suppliers signed the general purchase conditions, whereby they have undertaken to abide by the Company's Code of Ethics. Specifically, labour procurement shall entail a series of certifications attesting to the legitimacy of the contracts used.	Italia: Barilla GeR Fratelli esclude Harrys, Barilla (USA), Yemina e Vesta, Wasa, Filiz, Misko.

Community

Indicator	2010	2011	Consolidation Scope
Jobs, number of plants and their location	24 production plants, 9 mills for grinding wheat in 9 Countries. It also has 8 logistic platforms in Italy. The number of People directly employed in production plants, mills and distribution is 6,762 People.	24 production plants, 9 mills for grinding wheat in 9 Countries. It also has 8 logistic platforms in Italy. The number of staff directly employed in production plants, mills and distribution is 6,423 People.	Barilla GeR Fratelli.
Analysis and description of the main indirect impacts taking into account externalities generated (indirect employment and local suppliers relating to significant locations of operations)	Indirect employment in manufacturing totals 711 People. The Italian sales force includes 212 employees and 16 agents, who employ 325 sale subagents deployed across the Country. Barilla also works with agencies providing hostesses and merchandisers employing 150 People at points of sale. Meanwhile, 1,282 People work indirectly for the Group in Logistics.	Indirect employment in manufacturing totals 710 People. The Italian sales force includes 209 employees and 16 agents, who employ 309 sale subagents deployed across the Country. Barilla also works with agencies providing hostesses and merchandisers employing a total of 360 People at the points of sale. Meanwhile, 1,050 People work indirectly for the Group in Logistics.	Barilla GeR Fratelli.
Impacts on communities of projects for dialogue, cooperation and partnership (type, number, dedicated resources, effects), including donations	Product donations: 1,675 tons. Cash donations: 4 million Euro (including the value of product donations).	Product donations: 4,487 tons for over 3 million Euro. Cash donations: over 1 million 800 thousand Euro.	Barilla GeR Fratelli.
Community visits to Barilla plants	Total visits: 335 ; People 7,181 .	Total visits: 276 ; People 9,909 .	Barilla GeR Fratelli.
Formal notices against decisions taken by the Company	Formal notice issued by the Province of Cremona for CO ₂ emissions into the atmosphere by a Barilla plant.	There were no formal notices.	Barilla GeR Fratelli.
Development and impact of investments in infrastructure and services provided mainly for "public utility" through commercial commitments, donations of products/services, pro bono activities	The San Demetrio School Project continued with the construction of the school gym, used by the over 300 students of the town and neighbouring communities. Financial assistance was provided amounting to 1 million Euro.	Investment in the Children's Hospital for approximately 1 million 300 thousand Euro.	Barilla GeR Fratelli.

Human Resources

Indicator	2010	2011	Consolidation Scope
% weight of the cost of the People Care activities on labour cost	3.7	4.3	Italy: Barilla GeR Fratelli excluding Harrys, Yemina and Vesta, Wasa, Filiz, Misko, Barilla (USA).
Frequency Rate of Accidents	25	17	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number 1.
Severity Index of Accidents	0.62	0.63	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number 1.
Training hours per employee on health and safety	7 training hours per employee on health and safety.	5.6 training hours per employee	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number 1.
Fatalities	0	0	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number 1.
Accidents: absolute number and % difference compared with previous years	261 accidents (-3% over 2008).	177 accidents (-32% over 2010, -34% over 2008).	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number 1.
Audits on Safety and Fire Prevention	120 audits on environmental issues, safety and fire prevention, of which 93 focused specifically on Safety and Fire Prevention: a 50% increase compared with 2009.	105 audits on environmental issues, safety and fire prevention, of which 86 focused specifically on Safety and Fire Prevention.	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number 1.
% of People covered by an additional Health Insurance Policy	100% of permanent and temporary employees. 87% of total People.	99.6% of total People.	Italy: Barilla GeR Fratelli excluding Harrys, Barilla (USA), Yemina and Vesta, Wasa, Filiz, Misko.
% People covered by an additional Pension Plan	64% of People in Italy.	64.7% of People in Italy.	Italy: Barilla GeR Fratelli excluding Harrys, Barilla (USA), Yemina and Vesta, Wasa, Filiz, Misko.
People Care Initiatives	Creation of an organizational unit dedicated to People Care. Barilla America ranks among the top 50 companies in terms of benefits supporting fertility and adoption. Life and permanent disability insurance.	Good Practices: France - agreement with senior People, basic training; Italy: family day, education for families (Intercultural initiatives, kindergarten contributions, scholarships, Giocampus), Si.Mediterraneo project, philanthropy, health campaign, Essere Barilla, newspapers, CRAL (employees' recreational club); Germany: consultancy service for families; Barilla scholarships, laundry service, pension plans, sports incentives, special allowance for extraordinary occasions; Sweden: laundry service, sports incentives, special allowances for extraordinary occasions, benefit for maternity/paternity leave, health check-up, telecommuting, summer jobs for employees' children, headphones for workers, apartments, 10 days of leave for new fathers; Greece: Barilla scholarships.	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number 1.

Indicator	2010	2011	Consolidation Scope
Types and frequency of application of existing innovative contracts: job sharing, teleworking, part-time, etc.	4.4%	4.4% ; America: 2 part-time, 3 flexible work; Sweden: 33 part-time, Norway 41 part-time.	Barilla GeR Fratelli excluding Harrys, Yemina and Vesta, Wasa, Filiz, Misko
% of women broken down by occupational level	Executives 7.9 Managers: 31.1 White collar workers: 31.7 Sales force: 13.2 Blue collar Workers 20.9 America Executives 31 Managers: 44 White collar workers: 63 Plant workers: 14	Executives: 18.8 Managers: 31.5 White collar workers: 40.5 Sales force: 28.3 Blue collar Workers 23.4 Total: 28.1	Italy: Barilla GeR Fratelli excluding Harrys, Yemina and Vesta, Wasa, Filiz, Misko.
% plants with OHSAS 18001 - certified management system	69	81	Barilla GeR Fratelli, excluding Harrys Russia, Yemina, Vesta, mills, Number 1.
% of employees covered by an annual performance management system	100% of management People.	1,746 People (100% of management People), 64% of white collar People.	Barilla GeR Fratelli excluding Harrys, Yemina and Vesta.
Rate of turnover. Calculated on the number of terminations of permanent staff by professional level.	13.5% executives; 4.4% managers; 2.9% white collar workers; 6.5% sales force; 3.3% blue collar workers. In America: 7.3% .	9% executives; 4.4% managers; 4.7% white collar workers; 5.2% sales force; 5.3% blue collar workers. Sweden: 19% ; Norway: 0.0% . Russia: 0.5% ; Turkey: 10.1% .	Italy: Barilla GeR Fratelli excluding Harrys, Yemina and Vesta, Wasa, Filiz, Misko.
Turnover rate by age and gender	Data not available in 2010	Italy: 5.6% men and 5.0% women. Age: from 21 to 30 : 7.62% ; from 31 to 40 : 3.71% ; from 41 to 50 : 1.02% ; from 51 to 60 : 11.34% ; over 60 : 55.76% .	Barilla GeR Fratelli excluding Harrys, Yemina and Vesta, Wasa, Filiz, Misko.
Employer Branding Initiatives	Barilla 2010 Employer of Choice on a sample of 12,351 university graduates and undergraduates from 73 Italian universities.	Employer Branding Initiatives 50 events in 20 universities worldwide. Over 1,500 students from more than 20 countries were met in different situations, 30,000 new young professional reached. International network expansion: organization of international events in Italy and abroad. +46% increase in the international applications received compared with 2010. 60% of the candidates met at Employer Branding events were introduced to line managers and 50% of them were offered a contract.	Barilla GeR Fratelli excluding Harrys, Yemina and Vesta, Wasa, Filiz, Misko.
% of internships paid	100	100	Italy: Barilla GeR Fratelli excluding Harrys, Barilla (USA), Yemina and Vesta, Wasa, Filiz, Misko
% of internships transformed into fixed-term/permanent employment contracts	66.70	71.40	Italy: Barilla GeR Fratelli excluding Harrys, Barilla (USA), Yemina and Vesta, Wasa, Filiz, Misko.
% of distribution of the Company magazine "BarillaWorld"	30	Visits to BarillaWorld: 1,850 a month.	Barilla GeR Fratelli.

Indicator	2010	2011	Consolidation Scope
% of "expatriate" contracts compared to the previous year	+ 10	+ 6.6	Barilla GeR Fratelli.
Total number of employees, broken down by type, employment contract and geographical area	9,106 People: 4,665 in Italy, 1,506 in France; 591 in Russia; 572 in Sweden; 432 in the United States; 344 in Germany; 335 in Turkey; 253 in Mexico; 216 in Greece; 63 in Norway; 45 in Poland; 17 in the Benelux; 16 in Switzerland; 10 in Brazil; 9 in Australia; 7 in Austria; 6 in Japan; 3 in Slovenia; 1 in Hungary; 1 in Croatia; 5 in Canada and 9 in Spain.	8,766 People: 4,494 in Italy, 1,493 in France; 479 in Russia; 522 in Sweden; 438 in the United States; 334 in Germany; 332 in Turkey; 249 in Mexico; 211 in Greece; 82 in Norway; 44 in Poland; 18 in the Benelux; 15 in Switzerland; 12 in Brazil; 8 in Australia; 8 in Austria; 6 in Japan; 4 in Slovenia; 1 in Hungary; 7 in Canada; 1 in Croatia and 8 in Spain.	Barilla Holding excluding Lieken.
% of positions with mapped Job Description	1,300	1,500	Barilla GeR Fratelli excluding Harrys, Yemina and Vesta, Wasa, Filiz, Misko.
% of positions covered internally and not by external selection	Data not available in 2010	38	Barilla GeR Fratelli.

People

Indicator	2010	2011	Consolidation Scope
Number of raw material lots analysed and % of fully-conforming lots	54,000 lots analysed 95.8% fully conforming.	54,000 lots analysed 96.4% fully conforming.	Barilla GeR Fratelli.
Number of finished product lots analysed and % of fully-conforming lots	113,000 lots with 95.1% conformity	about 120,000 lots with 95.5% conformity	Barilla GeR Fratelli.
% breakdown of reasons for being contacted by People (requests of info on promotional initiatives, nutritional requests, product information, reasons for dissatisfaction).	6% nutritional or food safety requests; 20% for information on products; 23% for general inquiries about the Company; 25% to express dissatisfaction and 26% for information on promotion initiatives. The % of the reasons for dissatisfaction decreased compared with 2009 (from 29 to 25%); general requests to the Company increased (from 16 to 23%). These mainly concerned requests for cooperation or sponsorship, and contacts with the trade.	4.7% nutritional or food safety requests; 23.1% for information on products; 22.3% for general inquiries about the Company; 19.6% to express dissatisfaction and 30.3% for information on promotion initiatives. The % of reasons for dissatisfaction decreased compared with 2010 (from 25 to 19.6%). It is pointed out that People are increasingly interested in the products: information on new launches, their availability on the shelf, the novelties on new platforms, proposals for new technologies.	Barilla GeR Fratelli.
Activities and resources for prevention and control of product quality	28.5 million Euro a year	Approximately 29 million Euro a year.	Barilla GeR Fratelli.
% of reasons for dissatisfaction over total contacts	25	19.6	Barilla GeR Fratelli.
% of products with detailed nutrition facts (on the package and on the website in line with current regulations)	87	88	Barilla GeR Fratelli excluding Harrys Russia.
% of products with suggestions for a healthy lifestyle/balanced diet on the packages and on the website	31	34	Barilla GeR Fratelli excluding Harrys Russia.
% of products with consumption suggestions (optimal or maximum amount to be consumed), on the packaged and on the website	66	67	Barilla GeR Fratelli excluding Harrys Russia.
Projects to involve People	Casa Barilla, Cucina Integrale Tour, Piccolini Great Chef Tour and Tour del Mulino Bianco (49 Italian cities, 275,000 People involved, including over 70,000 children).	Casa Barilla Cucina Integrale Tour, Piccolini Great Chef Tour and Tour del Mulino Bianco (30 Italian cities, 220,000 People involved, including over 50,000 children), presentation of the Double Pyramid.	Barilla GeR Fratelli excluding Harrys Russia.
Information on the web	On the Internet: 60% of site contains nutritional facts tables, 53% provides detailed recommendations for better consumption of the products and 47% provides suggestions for a healthy lifestyle.	64% of sites contains nutritional facts tables; 71% of sites presenting products provides recommendations for better consumption of such products; 43% of sites presenting products provides recommendations for a healthy lifestyle.	Barilla GeR Fratelli excluding Harrys Russia.

APPENDIX 2

Barilla's Sustainable Business and Its Contribution to People's Wellbeing

BCFN INDEX

The BCFN Wellbeing Index is a multidimensional index to measure and compare People's level of wellbeing in a selected group of developed Countries.

[Index]

The peculiarity of the Index developed by BCFN is that it takes fully into account nutrition and eating habits as a variable of wellbeing.

THIS IS THE REASON WHY BARILLA HAS STARTED REFLECTING ON AND ANALYSING ITS SUSTAINABLE BUSINESS OPERATIONS IN ORDER TO UNDERSTAND HOW THESE COULD BE MEASURED BASED ON THE WELLBEING INDEX.

Studying wellbeing and developing an Index is part of a wider debate, which aims at assessing People's wellbeing using tools that go beyond the traditional measurement of Gross Domestic Product of the Countries analysed. The tables in this section provide insight on the relationship between the strategy adopted by Barilla as a sustainable company and the wellbeing index developed by BCFN.

THE INDEX IS DIVIDED INTO TWO SYNTHETIC MULTIDIMENSIONAL INDEXES:

1. The BCFN Index of current wellbeing, which is designed to measure People's current wellbeing (what people live/feel today);
2. The BCFN Wellbeing Sustainability Index (which is designed to measure the dynamics/future trends of the current level of wellbeing).

Each sub-index is measured using several indicators.

The **23 GOALS** and **RELEVANT INDICATORS MONITORING BARILLA'S SUSTAINABLE WAY OF DOING BUSINESS** have been taken into consideration in the light of their relationship with specific indicators of the BCFN Index.

The relationship between sustainability indicators and BCFN sub-indexes was classified as **DIRECT, INDIRECT** or **MANAGEMENT**.

An example of **DIRECT RELATIONSHIP** is the reduction of fat and sugar contents in products: in this case a sustainable business practice produces an immediate impact on People's present and future wellbeing.

On the other hand, an example of **INDIRECT RELATIONSHIP** is the investment in innovation in nutrition, thanks to which favourable impacts on People's wellbeing can be generated.

Some aspects of Barilla's sustainable business model cannot be linked directly or indirectly to wellbeing as classified by the BCFN Index, but are its preconditions.

For example, sustainable management of the supply chain cannot possibly be measured using the Index indicators, but it is essential to achieve the present and future wellbeing of People. These elements of the sustainability model have been defined as **"MANAGEMENT"**.

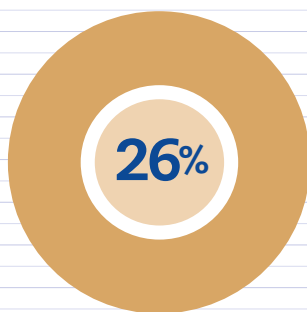


This analysis showed that **52% of sustainability objectives** have a potential direct or indirect impact on People's wellbeing, while in the case of **indicators, 44.3%** of these have a **direct impact**, and **21.3% an indirect impact** on People's wellbeing. In other words, over seventy percent of what Barilla does and over half of what it will do has a direct or indirect impact on People's wellbeing, as defined by the BCFN Index, while many other activities are its preconditions. Specifically, Barilla's current commitment - read through its indicators - is particularly evident in the Index areas relating to psycho - physical wellbeing (49%) and environmental wellbeing (26%), substantiating its desire to propose an offer that is "Good for you, Sustainable for the Planet".

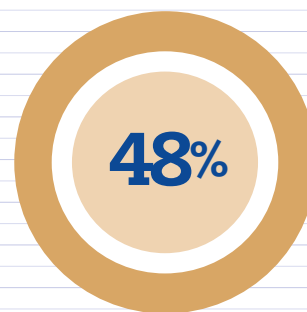
% Sustainability GOALS in Relation to BCFN Index



DIRECT

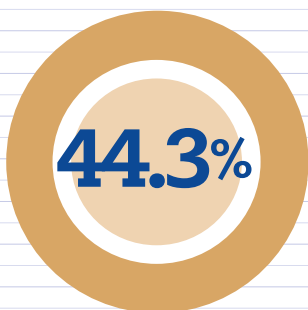


INDIRECT

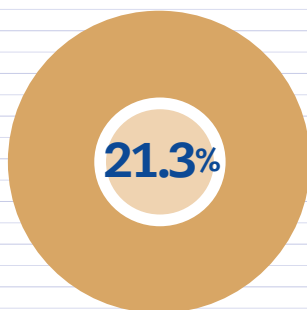


MANAGEMENT

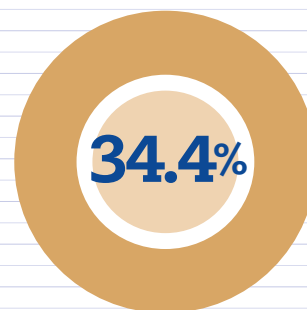
% Sustainability INDICATORS in Relation to BCFN Index



DIRECT



INDIRECT



MANAGEMENT

That analysis performed this year is only a first step, which will allow Barilla's sustainable action to be monitored and steered also by using an important tool introduced by BCFN, namely the Wellbeing Index.



To learn more about the Barilla Center for Food and Nutrition, see chapter 1: **"Barilla and Its Way of Doing Business"**.

Indicators

Stories	Area	Type of Indicators	Number of Direct Indicators with Regard to the BCFN Index	BCFN Reference Indicators (n)	
INTEGRATED AND SUSTAINABLE SUPPLY CHAIN	SUPPLY CHAIN	Sustainable Agriculture Projects	4	Total emissions (2); Adjusted net saving (1); Intensity of freight and passengers road traffic (1); Change in available income (1).	
		Sustainable Raw Materials	3	Adjusted net saving (2); Total emissions (2); Healthy life expectancy (1); Overweight and obese People (1); Change in the mortality rate from cardiovascular diseases (1), Cancer (1), Diabetes (1); Obese and overweight People between 11 and 15 years of age (1); Average daily individual consumption of calories (1).	
	ENVIRONMENT	Water Consumption	7	Adjusted net saving (7); Total emissions (6); Renewable sources contribution to energy supply (1).	
		Energy Consumption	7	Adjusted net saving (7); Total emissions (6); Renewable sources contribution to energy supply (1).	
		Waste	7	Total emissions (5) Adjusted net savings (2); Water Footprint (1), Urban waste (1).	
		Emissions	4	Total emissions (4); Intensity of freight and passengers road traffic (2); Water Footprint (1).	
	Packaging	4	Adjusted net saving (4); Urban waste (3), Total emissions (2); Water Footprint (1).		
	TOTAL QUALITY	HUMAN CAPITAL	People Care	7	Healthy life expectancy (4); Spread between youth unemployment rate and total unemployment rate (1); Rate of participation in permanent training (2); Use of antidepressants and mood stabilizers (1).
			Safety	4	Healthy life expectancy (4).
			Training	2	Rate of participation in permanent training.

Stories	Area	Type of Indicators	Number of Direct Indicators with Regard to the BCFN Index	BCFN Reference Indicators (n)
MORE CHOICE AND MORE KNOWLEDGE	COMMUNITY	Educational projects targeting the adoption of healthy lifestyles	4	Overweight and obese People between 11 and 15 years of age (4); Physical activity (3); Healthy life expectancy (1); Overweight and obese People (adults) (1); Average daily individual consumption of calories (1); Mortality rate from cardiovascular diseases (1), Cancer (1), Diabetes (1).
		Economic impacts (employment, infrastructure and services)	5	Change in available income (3); People at risk of poverty (2); Inequality in income distribution (2).
	NUTRITION	Products with enriched nutritional factors	5	Change in mortality rate from cardiovascular disease (5), Cancer (5), Diabetes (5); Obese and overweight People between 11 and 15 years of age (5); Healthy life expectancy (5); Obese and overweight People (5).
		Reformulated products and new products launched for specific nutritional needs	4	Change in mortality rate from cardiovascular disease (4), Cancer (4), Diabetes (4); Obese and overweight People between 11 and 15 years of age (4); Healthy life expectancy (4); Obese and overweight People (4).
		Nutritional information through packages and media	2	Change in mortality rate from cardiovascular disease (2), Cancer (2), Diabetes (2); Obese and overweight People between 11 and 15 years of age (2); Healthy life expectancy (2); Obese and overweight People (2).
	PEOPLE	Nutritional information through packages and media	7	Healthy life (7); Obese and overweight People between 11 and 15 years of age (5); Obese and overweight People (5); Change in mortality rate from cardiovascular diseases (5) and diabetes (5); Average individual consumption of calories (5); Physical activity (2); Change in mortality rate from cancer (1).

N.B.: This table shows all the Indicators which, in relation to a comparative analysis with the BCFN Index, have a direct impact on People's wellbeing. The Indicators are divided according to the Histories of this Report. The indicators which have an indirect effect or concern management have not been given.

Goals

Stories	Area	Direct Goals with Respect to BCFN Index	BCFN Reference
SUPPLY CHAIN INTEGRATED AND SUSTAINABLE	ENVIRONMENT	Reducing the Ecological Footprint throughout Barilla's supply chain.	Water Footprint; Total emissions; Adjusted net saving; Urban waste; Intensity of freight and passenger road traffic.
TOTAL QUALITY	HUMAN CAPITAL	Safety Zero accident goal: <ul style="list-style-type: none"> ▪ Reducing by 50% days of absence due to accident; ▪ Reducing the absolute number of accidents by 40%; ▪ Monitoring the safety indices of external firms that operate as part of the Barilla organisation. 	Healthy life expectancy.
		Training Training ensuring constant updating and developing the skills of Barilla company People (e.g. professional training, leadership development and shared culture).	Rate of participation in regular updating programmes.
MORE CHOICE AND MORE KNOWLEDGE:	COMMUNITY	Developing the Barilla "Balanceat" corporate cause both at a company and a brand level, through educational activities, training in excess food and support for food security, also by capitalizing on the experience gained through the Giocampus project.	Healthy life expectancy; Obese and overweight adult population (adults); Change in mortality rate from cardiovascular disease; Cancer; Diabetes; Obese and overweight People between 11 and 15 years of age; Physical activity; Average daily individual consumption of calories.
	NUTRITION	Developing education programs on healthy eating and lifestyle for all Barilla employees in the main Countries where the Group operates.	Healthy life expectancy; Obese and overweight adult population (adults); Change in mortality rate from cardiovascular disease; Cancer; Diabetes; Obese and overweight People between 11 and 15 years of age; Physical activity; Average daily individual consumption of calories.
	PEOPLE	Product Total Quality and Listening to People Simplifying informed choices by People, by providing the following information on the pack labels and/or websites of brands: <ul style="list-style-type: none"> ▪ Detailed nutrition tables; ▪ Advice for a healthy lifestyle; ▪ Consumption suggestions; ▪ Waste disposal procedures and other important environmental aspects. 	Healthy life expectancy; Obese and overweight adult population (adults); Change in mortality rate from cardiovascular disease; Cancer; Diabetes; Obese and overweight People between 11 and 15 years of age; Physical activity; Average daily individual consumption of calories; Total emissions; Urban waste.

N.B.: This table shows the goals which, according to a comparative analysis with the BCFN Index, have a direct impact on People's wellbeing. The goals have been subdivided according to the stories recounted in the Report. On the other hand, goals which have an indirect effect or concern management have not been given.



**BARILLA G. E R. FRATELLI -
SOCIETÀ PER AZIONI WITH
SINGLE SHAREHOLDER SUBJECT
TO THE MANAGEMENT AND
COORDINATION
OF BARILLA INIZIATIVE S.R.L.**

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