



United Nations Global Compact

Communication On Progress
(COP) 2011- Advanced Level

December 2012



About the Report

Ferrero Group has joined the United Nations Global Compact since 2011.

Ferrero Group is committed to supporting and enacting the ten principles of the UN Global Compact, in the areas of human rights, labor standards, the environment and anti-corruption. The Group has formally adhered to the UN Global Compact last year and has always been strongly committed to Corporate Social Responsibility (CSR).

Ferrero Group is reporting the Communication of Progress (COP) in accordance to the UN Global Compact Advanced Level. This report describes the progress of meeting the 24 criteria of this level in the areas as follows:

- Strategy, Governance and Engagement;
- UN Goals and Issues;
- Implementation of the UN Global Compact Principles;
- Value Chain Implementation; and
- Verification and Disclosure.

All information Ferrero Group reports in the COP is in compliance to our CSR Report 2011, which is available on Ferrero's website:

<http://www.ferrero.com/social-responsibility/csr-report/2011/>

The Ferrero CSR report was edited by the CSR Office of the Ferrero Group in conformity with the Global Reporting Initiative (GRI) Guidelines and the ISO 26000 standard. The CSR report has attained GRI A+ level, which is the highest level of sustainability reporting. Independent assurance of the whole report was carried out by Deloitte.



Statement of Continued Support

Letter from our CEO

CORPORATE SOCIAL RESPONSIBILITY REPORT

The last year was a challenging one for us in Ferrero.

Thanks to the passion and the commitment of our people and to the growing trust of our consumers, our sales increased by 9.1%, compared to the previous year, and our output by more than 4%. At the end of 2010, our CO₂ emissions had already decreased by 14% and our primary energy consumption by 7%. This is aligned with our goal to cut CO₂ emissions by 40% by 2020.

This means that our business model allows us to grow and to invest in the communities where we operate, while diminishing our impacts on the environment. That's what sustainability is all about!

We will apply that same model to our two new plants in Turkey and Mexico, which will be in operation by 2013.

Ferrero's sustainability strategy is supported by our corporate social responsibility's strong vision: "Sharing values to create value". This means that our way of creating value is not just based on leveraging strong unchanged values, it also implies the responsibility to share them with all stakeholders: inside the company, towards consumers and families, for the communities where we operate and other organizations with whom we are affiliated.

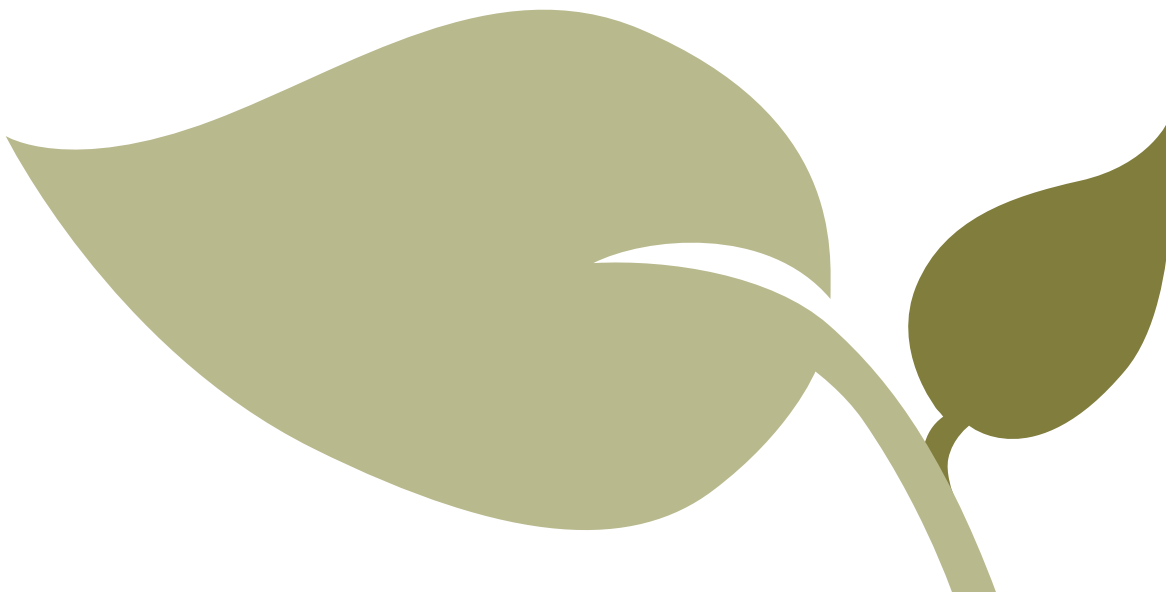
This is closely linked to our mission, which is to satisfy consumers' expectations everywhere through shared Ferrero values: passion for excellence, loyalty, respect, responsibility and integrity.

Strong values for a shared responsibility at global and at local level. We see the Ferrero Group as "GLOCAL".

Global because we serve markets all over the world, and because we have principles, plans and goals that apply everywhere in the same way.

Local because we are passionate about our roots, and because we are proud of investing in local communities, empowering people wherever we operate.

In this way, we also assume local responsibilities through global commitments.



With this approach, we have built our three CSR pillars:

Enhancing Local Communities

*In more mature markets, we develop social and cultural activities mainly through the **Ferrero Foundation**. Under the guidance of my mother, Maria Franca, the Foundation takes care of retired Ferrero employees implementing a comprehensive “active-ageing” program.*

*In emerging countries, we operate through **Ferrero Social Enterprises**, now established in **India, South Africa and Cameroon**, with the strong support of my father Michele and of my late beloved brother Pietro. Their goal is to enhance development directly in the field, at the local level.*

Healthy Lifestyle

Ferrero’s strategy for nutrition is based on three pillars: a balanced diet, small portions - as the overconsumption of anything can be harmful - and regular physical activity.

We also believe strongly that nutritional education rather than more legislation is what is really needed!

Sustainable Agricultural Practices

Ferrero is committed to reaching 100% certified as traceable and sustainable cocoa, coffee, palm oil and hazelnuts before 2020 and to improving the living conditions of farmers in some of the poorest countries of the world. This will allow, in the long term, increased productivity from the same harvesting sources and enhanced farmers’ skills, also to address climate change challenges.

*A cross cutting issue is how to ensure sustainability **all along the value chain**. This is exactly the purpose of our **ABCDE (A Business Code Dialogue Engagement) Plan to be completed by 2013**, which aims to share our **Code of Business Conduct** with internal and external stakeholders.*

Our global CSR strategy is described in this Report, including: Ferrero’s ten goals for 2020, the objectives we have already reached, the challenges we face, ongoing reassessment based on accurate monitoring and measurement.

In the CSR Report, we also disclose concrete data on the sustainability of one of our most successful products: Nutella.

Enjoy reading it!

June 2012



Giovanni Ferrero
Chief Executive Officer



Table of Contents

- Strategy , Governance and Engagement 4**
 - Criterion 1** Key aspects of the company’s high-level sustainability strategy in line with Global Compact principles 4
 - Criterion 2** Decision-making processes and systems of governance for corporate sustainability.. 5
 - Criterion 3** Engagement with all important stakeholders..... 7
- UN Goals and Issues..... 9**
 - Criterion 4** Actions taken in support of broader UN goals and issues 9
- Human Rights Implementation..... 11**
 - Criterion 5** Commitments, strategies or policies in the area of human rights..... 11
 - Criterion 6** Effective management systems to integrate the human rights principles 13
 - Criterion 7** Engagement with all important stakeholders..... 15
 - Criterion 8** Key outcomes of human rights integration 16
- Labor Principles Implementation 17**
 - Criterion 9** Commitments, strategies or policies in the area of labor 17
 - Criterion 10** Management systems to integrate the labor principles..... 18
 - Criterion 11** Monitoring and evaluation mechanisms of labor principles integration..... 19
 - Criterion 12** Key outcomes of the integration of the labor principles 20
- Environmental Stewardship Implementation..... 23**
 - Criterion 13** Commitments, strategies or policies in the area of environmental stewardship 23
 - Criterion 14** Management systems to integrate the environmental principles 24
 - Criterion 15** Monitoring and evaluation mechanisms for environmental stewardship..... 25
 - Criterion 16** Key outcomes of the integration of the environmental principles..... 26
- Anti-Corruption Implementation 28**
 - Criterion 17** Commitments, strategies or policies in the area of anti-corruption 28
 - Criterion 18** Management systems to integrate the anti-corruption principles..... 29
 - Criterion 19** Monitoring and evaluation mechanisms for the integration of anti-corruption..... 30
 - Criterion 20** Key outcomes of the integration of the anti-corruption..... 31
- Value Chain Implementation 32**
 - Criterion 21** Implementation of the Global Compact principles in the value chain 32
- Transparency and Verification..... 35**
 - Criterion 22** Information on the company’s profile and context of operation 35
 - Criterion 23** High standards of transparency and disclosure 36
 - Criterion 24** The COP is independently verified by a credible third-party 37



Strategy , Governance and Engagement

Criterion 1 Key aspects of the company’s high-level sustainability strategy in line with Global Compact principles

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Impact of broader sustainability trends on the long-term prospects and financial performance of the organization	<p>1.1 Statement from the most senior decision maker of the organization (e.g. CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy.</p> <p>1.2 Description of key impacts, risks, and opportunities</p>	6.2 Organizational governance	2-3; 6-7; 20; 42; 86; 103
	EC2 Financial implications and other risks and opportunities for the organization’s activities due to climate change	6.5.5 Climate change mitigation and action	104
Major sustainability risks and opportunities in the near to medium term (3-5 years)	1.2 Description of key impacts, risks, and opportunities	6.2 Organizational governance	2-3; 6-7; 20; 42; 86; 103
	4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organization	6.2 Organizational governance	2-3; 16-17; 20; 62; 76-77; 103; 119
Social and environmental impact of the organization’s activities	1.2 Description of key impacts, risks, and opportunities	6.2 Organizational governance	2-3; 6-7; 20; 42; 86; 103
Overall strategy to manage sustainability impacts, risks and opportunities in the near to medium term (3-5 years)	1.2 Description of key impacts, risks, and opportunities	6.2 Organizational governance	2-3; 6-7; 20; 42; 86; 103





Key performance indicators to measure progress	DMA EC Management and verification policies and system	6.2 Organizational governance 6.8 Community involvement and development	2-3; 9-11; 20-21; 30-31; 36-37; 40; 42; 46-47; 49; 58; 60; 70; 86; 88-90; 97; 104; 110; 127; 133
	DMA EN Management and verification policies and system	6.2 Organizational governance 6.5 The Environment	2-3; 18-20; 86; 88; 102-104; 106-109; 113; 115-117; 119-121; 127-128; 134-136; 138; http://www.ferrero.com/social-responsibility/code-business-conduct/
Major success and failures during the reporting period	2.10 Awards received in the reporting period	n.a.	24-28

Criterion 2 Decision-making processes and systems of governance for corporate sustainability

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Involvement and accountability of management (C-suite) in developing corporate sustainability strategy in line with Global Compact principles and overseeing its implementation	1.1 Statement from the most senior decision maker of the organization (e.g. CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy. 1.2 Description of key impacts, risks, and opportunities	6.2 Organizational governance	2-3; 6-7; 20; 42; 86; 103
Corporate governance structure Board of directors or equivalent and its role in oversight of long-term corporate sustainability strategy and implementation in line with Global Compact principles	4.1 Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight 4.2 Indicate whether the Chair of the highest governance body is also an executive officer	6.2 Organizational governance	12; 14; 16-17; 56





	<p>4.3 For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members</p> <p>4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body</p> <p>4.5 Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization’s performance (including social and environmental performance)</p> <p>4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided</p> <p>4.7 Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization’s strategy on economic, environmental, and social topics</p> <p>4.9 Procedures of the highest governance body for overseeing the organization’s identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles</p>		
--	---	--	--





	4.10 Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance		
Goals and incentive schemes for management (C-suite) to promote sustainability in line with Global Compact principles	<p>1.1 Statement from the most senior decision maker of the organization (e.g. CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy.</p> <p>1.2 Description of key impacts, risks, and opportunities</p>	6.2 Organizational governance	2-3; 6-7; 20; 42; 86; 103

Criterion 3 Engagement with all important stakeholders

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Regular stakeholder consultations in the area of human rights, labor, environment and anti-corruption.	<p>4.16 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group</p> <p>4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting</p>	6.2 Organizational governance	14-15; 155
List of stakeholder groups engaged by the organization	<p>4.14 List of stakeholder groups engaged by the organization</p> <p>4.3 For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members</p>	6.2 Organizational governance	14-15

Process for stakeholder identification and engagement	4.15 Basis for identification and selection of stakeholders with whom to engage	6.2 Organizational governance	14-17; 95
Outcome of stakeholder involvement	4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting	6.2 Organizational governance	14-15; 155
Process of incorporating stakeholder input into corporate strategy and business decision making	<p>4.9 Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles</p> <p>4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses</p> <p>4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting</p>	6.2 Organizational governance	4; 12; 14-17; 155; www.ferrero.com/social-responsibility/code-of-business-conduct





United Nations Goals and Issues

Criterion 4 Actions taken in support of broader UN goals and issues

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Adoption or modification of business strategy and operating procedures to maximize contribution to UN goals and issues	1.1 Statement from the most senior decision maker of the organization (e.g. CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy. 1.2 Description of key impacts, risks, and opportunities	6.2 Organizational governance	2-3; 6-7; 20; 42; 86; 103
	4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation 4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses 4.13 Memberships in associations (such as industry associations) and/or national/international advocacy organizations	6.2 Organizational governance	2-4; 14; 16-17; 23; 38; 75; 103; www.ferrero.com/social-responsibility/code-business-conduct/ ; www.ferrero.com/social-responsibility/code-of-ethics/reliability-trust
Development of products, services, and business models that contribute to UN goals and issues	4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organization	6.2 Organizational governance	2-3; 16-17; 20; 62; 76-77; 103; 119
	EC6 Policy, practices, and proportion of spending on	6.6.6 Promoting social responsibility	20; 45-46; 127; 133

	locally-based suppliers at significant locations of operation	in the value chain 6.8 Community involvement and development 6.8.5 Employment creation and skills development 6.8.7 Wealth and income creation	
	EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	6.5 The Environment 6.5.4 Sustainable resource use 6.6.6 Promoting social responsibility in the value chain 6.7.5 Sustainable consumption	117-118; 128; 138-139
Social investments and philanthropic contributions that tie in with the organization's core competencies, operating context and sustainability strategy	EC8 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement	6.3.9 Economic, social and cultural rights 6.8 Community involvement and development 6.8.3 Community involvement 6.8.4 Education and culture 6.8.5 Employment creation and skills development 6.8.6 Technology development and access 6.8.7 Wealth and income creation 6.8.9 Social investment	30-31; 36-38; 40; 42; 48; 68; 70; 79; 81; 88-90; 97; 110
	SO1 Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting	6.3.9 Economic, social and cultural rights 6.8 Community involvement and development 6.8.3 Community involvement 6.8.9 Social Investment	20; 30-31; 36-39; 42; 48-49; 68; 70; 79; 81; 88-91; 93; 96-97; 100; 110; 119; 126; 132-133



Human Rights Implementation

Criterion 5 Commitments, strategies or policies in the area of human rights

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Commitment to comply with all applicable laws and respect internationally recognized human rights, wherever the company operates	DMA HR Management and verification policies and system	6.2 Organizational governance 6.3 Human Rights 6.3.3 Due Diligence 6.3.4 Human rights risk situations 6.3.6 Resolving grievances 6.6.6 Promoting social responsibility in the value chain	2-3; 16-17; 20; 23; 86-87; 92-94; 96-99; www.ferrero.com/socialresponsibility/code-business-conduct/ ; www.ferrero.com/socialresponsibility/code-of-ethics/reliabilitytrust/
Statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company	4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation 4.9 Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles	6.2 Organizational governance	2-3; 12-14; 16-17; 23; 38; 75; 103; www.ferrero.com/socialresponsibility/code-business-conduct/ ; www.ferrero.com/socialresponsibility/code-of-ethics/reliabilitytrust/
Statement of policy stipulating human rights expectations of personnel, business	4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to	6.2 Organizational governance	2-4; 12-14; 16-17; 20; 23; 38; 62; 75-77; 103; 119 www.ferrero.com/socialresponsibility/code-

<p>partners and other parties directly linked to operations, products or services</p>	<p>economic, environmental, and social performance and the status of their implementation</p> <p>4.9 Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles</p> <p>4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organization</p> <p>4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses</p> <p>4.13 Memberships in associations (such as industry associations) and/or national/international advocacy organizations</p>		<p>business-conduct/ ; www.ferrero.com/socialresponsibility/code-of-ethics/reliabilitytrust/</p>
<p>Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties</p>	<p>4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation</p> <p>4.9 Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social</p>	<p>6.2 Organizational governance</p>	<p>2-4; 12-14; 16-17; 20; 23; 38; 62; 75-77; 103; 119 www.ferrero.com/socialresponsibility/code-business-conduct/ ; www.ferrero.com/socialresponsibility/code-of-ethics/reliabilitytrust/</p>





	<p>performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles</p> <p>4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organization</p> <p>4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses</p> <p>4.13 Memberships in associations (such as industry associations) and/or national/international advocacy organizations</p>		
--	---	--	--

Criterion 6 Effective management systems to integrate the human rights principles

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Due diligence process that includes an assessment of actual and potential human rights impacts	<p>DMA HR Management and verification policies and system</p> <p>HR1 Percentage and total number of significant investment agreements that include human rights clauses or that underwent human rights screening</p> <p>HR2 Percentage of significant suppliers and contractors that underwent screening on human rights and actions taken</p> <p>HR4 Total number of incidents</p>	<p>6.2 Organizational governance</p> <p>6.3 Human Rights</p> <p>6.3.3 Due Diligence</p> <p>6.3.4 Human rights risk situations</p> <p>6.3.5 Avoidance of complicity</p> <p>6.3.6 Resolving grievances</p> <p>6.3.7 Discrimination and vulnerable groups</p> <p>6.3.8 Civil and political rights</p>	<p>2-3; 16-17; 20; 22-23; 61; 86-87; 91-94; 96-99;</p> <p>www.ferrero.com/socialresponsibility/code-of-business-conduct/ ;</p> <p>www.ferrero.com/socialresponsibility/code-of-ethics/reliabilitytrust/</p>



	<p>of discrimination and actions taken</p> <p>HR5 Operations identified where the right to exercise freedom of association and collective bargaining may be at significant risk, and actions to support these rights</p> <p>HR6 Operations identified as having significant risk for incidents of child labor and measures to contribute to eliminate child labor</p>	<p>6.3.10 Fundamental principles and rights at work</p> <p>6.4.3 Employment and employment Relationships</p> <p>6.4.5 Social dialogue</p> <p>6.6.6 Promoting social responsibility in the value chain</p>	
<p>Internal awareness-raising and training on human rights for management and employees</p>	<p>HR3 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained</p>	<p>6.3 Human Rights</p> <p>6.3.5 Avoidance of complicity</p>	<p>22; 64; Existing information systems do not provide consolidated data about Total hours of employee training concerning aspect of human right. We are developing our data collection processes for reporting in the CSR Report 2014.</p>
<p>Operational-level grievance mechanisms for those potentially impacted by the company's activities</p>	<p>DMA HR Management and verification policies and system</p>	<p>6.2 Organizational governance</p> <p>6.3 Human Rights</p> <p>6.3.3 Due Diligence</p> <p>6.3.4 Human rights risk situations</p> <p>6.3.6 Resolving grievances</p> <p>6.6.6 Promoting social responsibility in the value chain</p>	<p>2-3; 16-17; 20; 23; 86-87; 92-94; 96-99;</p> <p>www.ferrero.com/socialresponsibility/code-business-conduct/ ;</p> <p>www.ferrero.com/socialresponsibility/code-of-ethics/reliabilitytrust/</p>
<p>Internal decision-making, budget and oversight for effective responses to human rights impacts</p>	<p>DMA HR Management and verification policies and system</p>	<p>6.2 Organizational governance</p> <p>6.3 Human Rights</p> <p>6.3.3 Due Diligence</p> <p>6.3.4 Human rights risk situations</p> <p>6.3.6 Resolving grievances</p> <p>6.6.6 Promoting social responsibility in the value chain</p>	<p>2-3; 16-17; 20; 23; 86-87; 92-94; 96-99;</p> <p>www.ferrero.com/socialresponsibility/code-business-conduct/ ;</p> <p>www.ferrero.com/socialresponsibility/code-of-ethics/reliabilitytrust/</p>
<p>Processes to provide for or cooperate in the remediation of adverse human rights impacts</p>	<p>HR 11 Number of grievances related to human rights filed, addressed and resolved through formal</p>	<p>6.3 Human Rights</p> <p>6.3.6 Resolving grievances</p>	<p>16-17; 22-23</p>

that the company has caused or contributed to	grievance mechanisms		
---	----------------------	--	--

Criterion 7 Effective monitoring and evaluation mechanisms of human rights integration

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
System to monitor the effectiveness of human rights policies and implementation, including in the supply chain	DMA HR Management and verification policies and system HR2 Percentage of significant suppliers and contractors that underwent screening on human rights and actions taken	6.2 Organizational governance 6.3 Human Rights 6.3.3 Due Diligence 6.3.4 Human rights risk situations 6.3.5 Avoidance of complicity 6.3.6 Resolving grievances 6.6.6 Promoting social responsibility in the value chain	2-3; 16-17; 20; 23; 86-87; 92-94; 96-99; www.ferrero.com/socialresponsibility/code-business-conduct/ ; www.ferrero.com/socialresponsibility/code-of-ethics/reliabilitytrust/
Leadership review of monitoring and improvement results	HR 10 Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	6.3 Human Rights 6.3.6 Resolving grievances	16-17; 23; 86; 97; 99
Process to deal with incidents	HR 11 Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms	6.3 Human Rights 6.3.6 Resolving grievances	16-17; 22-23



Criterion 8 Key outcomes of human rights integration

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Outcomes of due diligence process	<p>HR2 Percentage of significant suppliers and contractors that underwent screening on human rights and actions taken</p> <p>HR 10 Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.</p> <p>HR 11 Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms</p>	<p>6.3 Human Rights</p> <p>6.3.3 Due diligence</p> <p>6.3.5 Avoidance of complicity</p> <p>6.3.6 Resolving grievances</p> <p>6.4.3 Employment and employment relationships</p> <p>6.6.6 Promoting social responsibility in the value chain</p>	16-17; 22-23; 86; 96-97; 99
Disclosure of main incidents involving the company	HR 11 Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms	6.3 Human Rights	16-17; 22-23
Outcomes of processes of remediation of adverse human rights impacts	HR 11 Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms	6.3 Human Rights 6.3.6 Resolving grievances	16-17; 22-23



Labor Principles Implementation

Criterion 9 Robust commitments, strategies or policies in the area of labor

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Reflection on the relevance of the labor principles for the company	DMA LA Management and verification policies and system	6.2 Organizational governance 6.4 Labor Practices 6.3.10 Fundamental principles and rights at work	2-3; 18-19; 50; 52; 54; 57-62; 64; 67-69; 71-72; 124-125; 130; 132; www.ferrero.com/socialresponsibility/code-business-conduct/ ; www.ferrero.com/socialresponsibility/code-of-ethics/reliabilitytrust/
Written company policy (e.g. in code of conduct) on labor	4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	6.2 Organizational governance	2-3; 16-17; 23; 38; 75; 103; www.ferrero.com/socialresponsibility/code-business-conduct/ ; www.ferrero.com/socialresponsibility/code-of-ethics/reliability-trust
	DMA LA Management and verification policies and system	6.2 Organizational governance 6.4 Labor Practices 6.3.10 Fundamental principles and rights at work	2-3; 18-19; 50; 52; 54; 57-62; 64; 67-69; 71-72; 124-125; 130; 132; www.ferrero.com/socialresponsibility/code-business-conduct/ ; www.ferrero.com/socialresponsibility/code-of-ethics/reliabilitytrust/
Inclusion of minimum labor standards in contracts with suppliers and other relevant business partners	DMA LA Management and verification policies and system	6.2 Organizational governance 6.4 Labor Practices 6.3.10 Fundamental principles and rights at work	2-3; 18-19; 50; 52; 54; 57-62; 64; 67-69; 71-72; 124-125; 130; 132; www.ferrero.com/socialresponsibility/code-business-conduct/ ; www.ferrero.com/socialresponsibility/code-of-ethics/reliabilitytrust/
Specific commitments and goals for specified	DMA LA Management and verification policies and	6.2 Organizational governance	2-3; 18-19; 50; 52; 54; 57-62; 64; 67-69; 71-72;

years	system	6.4 Labor Practices 6.3.10 Fundamental principles and rights at work	124-125; 130; 132; www.ferrero.com/socialresponsibility/code-business-conduct/ ; www.ferrero.com/socialresponsibility/code-of-ethics/reliabilitytrust/
-------	--------	--	--

Criterion 10 Effective management systems to integrate the labor principles

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Reflection on the relevance of the labor principles for the company	DMA LA Management and verification policies and system LA4 Percentage of employees covered by collective bargaining agreements	6.2 Organizational governance 6.3.10 Fundamental principles and rights at work 6.4 Labour Practices 6.4.3 Employment and employment relationships 6.4.4 Conditions of work and social protection 6.4.5 Social dialogue Fundamental principles and rights at work	2-3; 18-19; 50; 52; 54; 57-62; 64; 67-69; 71-72; 124-125; 130; 132; www.ferrero.com/socialresponsibility/code-business-conduct/ ; www.ferrero.com/socialresponsibility/code-of-ethics/reliabilitytrust
Internal awareness-raising and training on the labor principles for management and employees	LA10 Average hours of training per year per employee by gender, and by employee category. LA11 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings LA12 Percentage of employees receiving regular performance and career	6.3.7 Discrimination and vulnerable groups 6.3.10 Fundamental principles and rights at work 6.4 Labour Practices 6.4.7 Human development and training in the workplace 6.8.5	30-31; 36; 38-40; 44; 55-56; 59; 64-67; 71; 125; 131-132



	development reviews LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	Employment creation and skills development	
--	---	--	--

Criterion 11 Effective monitoring and evaluation mechanisms of labor principles integration

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
System to track and measure performance based on standardized performance metrics	DMA LA Management and verification policies and system LA3 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations LA4 Percentage of employees covered by collective bargaining agreements LA5 Minimum notice period(s) regarding operational changes, including whether specified in collective agreements LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work related fatalities, by region and by gender LA8 Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	6.2 Organizational governance 6.3.10 Fundamental principles and rights at work 6.4 Labor Practices 6.4.3 Employment and employment relationships 6.4.4 Conditions of work and social protection 6.4.5 Social dialogue 6.4.6 Health and safety at work 6.8 Community involvement and development 6.8.3 Community involvement 6.8.4 Education and culture 6.8.8 Health	2-3; 18-19; 50; 52; 54; 57-62; 37; 61; 63-64; 67-69; 71-72;124-125; 130-132; www.ferrero.com/socialresponsibility/code-of-business-conduct/ ; www.ferrero.com/socialresponsibility/code-of-ethics/reliabilitytrust
Audits or other steps to monitor and improve	HR2 Percentage of significant suppliers and contractors	6.3 Human Rights 6.3.3 Due diligence	16-17; 23; 87; 96-97



the labor performance of companies in the supply chain	that underwent screening on human rights and actions taken	6.3.5 Avoidance of complicity 6.4.3 Employment and employment relationships 6.6.6 Promoting social responsibility in the value chain	
Leadership review of monitoring and improvement results	DMA LA Management and verification policies and system	6.2 Organizational governance 6.3.10 Fundamental principles and rights at work 6.4 Labor Practices	2-3; 18-19; 50; 52; 54; 57-62; 64; 67-69; 71-72; 124-125; 130; 132; www.ferrero.com/socialresponsibility/code-business-conduct/ ; www.ferrero.com/socialresponsibility/code-of-ethics/reliabilitytrust
Process to deal with incidents	DMA LA Management and verification policies and system	6.2 Organizational governance 6.3.10 Fundamental principles and rights at work 6.4 Labor Practices	2-3; 18-19; 50; 52; 54; 57-62; 64; 67-69; 71-72; 124-125; 130; 132; www.ferrero.com/socialresponsibility/code-business-conduct/ ; www.ferrero.com/socialresponsibility/code-of-ethics/reliabilitytrust

Criterion 12 Key outcomes of integration of the labor principles

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Outcome of due diligence and follow-up efforts to uphold the freedom of association right to collective bargaining	LA4 Percentage of employees covered by collective bargaining agreements	6.3.10 Fundamental principles and rights at work 6.4 Labor Practices 6.4.3 Employment and employment relationships 6.4.4 Conditions of work and social protection 6.4.5 Social dialogue	61





	<p>HR5 Operations identified where the right to exercise freedom of association and collective bargaining may be at significant risk, and actions to support these rights</p>	<p>6.3 Human Rights 6.3.3 Due diligence 6.3.4 Human rights risk situations 6.3.5 Avoidance of complicity 6.3.8 Civil and political rights 6.3.10 Fundamental principles and rights at work 6.4.3 Employment and employment relationships 6.4.5 Social dialogue</p>	<p>16-17; 23; 61</p>
<p>Outcome of due diligence and follow-up efforts to eliminate forced labor</p>	<p>HR7 Operations identified as having significant risk for incidents of forced or compulsory labor and measures to contribute to the elimination of forced or compulsory labor</p>	<p>6.3 Human Rights 6.3.3 Due diligence 6.3.4 Human rights risk situations 6.3.5 Avoidance of complicity 6.3.7 Discrimination and vulnerable groups 6.3.10 Fundamental principles and rights at work 6.6.6 Promoting social responsibility in the value chain</p>	<p>16-17; 23; 86-87; 91-94; 96-99</p>
<p>Outcome of due diligence and follow-up efforts to abolish child labor</p>	<p>HR6 Operations identified as having significant risk for incidents of child labor and measures to contribute to eliminate child labor</p>	<p>6.3 Human Rights 6.3.3 Due diligence 6.3.4 Human rights risk situations 6.3.5 Avoidance of complicity 6.3.7 Discrimination and vulnerable groups 6.3.10 Fundamental principles and rights at work 6.6.6 Promoting social responsibility in the value chain</p>	<p>16-17; 23; 86-87; 91-94; 96-99</p>

Outcome of due diligence and follow-up efforts to eliminate discrimination	HR4 Total number of incidents of discrimination and actions taken	6.3 Human Rights 6.3.6 Resolving grievances 6.3.7 Discrimination and vulnerable groups 6.3.10 Fundamental principles and rights at work 6.4.3 Employment and employment relationships	22
Disclosure of main incidents involving the company	HR 10 Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments. HR 11 Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms	6.3 Human Rights 6.3.6 Resolving grievances	16-17; 22-23; 86; 97; 99





Environmental Stewardship Implementation

Criterion 13 Commitments, strategies or policies in the area of environmental stewardship

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Reference to relevant international conventions and other international instruments (e.g. Rio Declaration on Environment and Development)	4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	6.2 Organizational governance	4; 14; 16-17; www.ferrero.com/socialresponsibility/code-business-conduct/
Reflection on the relevance of environmental stewardship for the company	DMA EN Management and verification policies and system	6.2 Organizational governance 6.5 The Environment	2-3; 18-20; 86; 88; 102-104; 106-109; 113; 115-117; 119-121; 127-128; 134- 136; 138; www.ferrero.com/socialresponsibility/code-business-conduct/
Written company policy on environmental stewardship	DMA EN Management and verification policies and system	6.2 Organizational governance 6.5 The Environment	2-3; 18-20; 86; 88; 102-104; 106-109; 113; 115-117; 119-121; 127-128; 134- 136; 138; www.ferrero.com/socialresponsibility/code-business-conduct/
	4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	6.2 Organizational governance	2-3; 16-17; 23; 38; 75; 103; www.ferrero.com/socialresponsibility/code-business-conduct/ ; www.ferrero.com/socialresponsibility/code-of-ethics/reliability-trust
Inclusion of minimum environmental standards in contracts with suppliers and other relevant business	EC6 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	6.6.6 Promoting social responsibility in the value chain 6.8 Community involvement and	20; 45-46; 127; 133

partners		development 6.8.5 Employment creation and skills development 6.8.7 Wealth and income creation	
Specific commitments and goals for specified years	DMA EN Management and verification policies and system	6.2 Organizational governance 6.5 The Environment	2-3; 18-20; 86; 88; 102-104; 106-109; 113; 115-117; 119-121; 127-128; 134- 136; 138; www.ferrero.com/social-responsibility/code-business-conduct/

Criterion 14 Effective management systems to integrate the environmental principles

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Environmental risk and impact assessments	4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organization	6.2 Organizational governance	2-3; 16-17; 20; 62; 76-77; 103; 119
Assessments of lifecycle impact of products, ensuring environmentally sound end-of-life management policies	PR1 Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	6.3.9 Economic, social and cultural rights 6.6.6 Promoting social responsibility in the value chain 6.7 Consumer Issues 6.7.4 Protecting consumers' health & safety 6.7.5 Sustainable consumption	16-20; 22; 75-78; 116; www.ferrero.com/social-responsibility/code-business-conduct/
Internal awareness-raising and training on environmental stewardship for management and employees	LA10 Average hours of training per year per employee by gender, and by employee category	6.4 Labour Practices 6.4.7 Human development and training in the workplace	44; 64; 67; Existing information systems do not provide consolidated data about average hours of training by gender, and by employee category. We are





			developing our data collection processes for reporting in the CSR Report 2014.
Grievance mechanisms, communication channels and other procedures for reporting concerns or seeking advice regarding environmental impacts	EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	6.5 The Environment 6.5.4 Sustainable resource use 6.6.6 Promoting social responsibility in the value chain 6.7.5 Sustainable consumption	117-118; 128; 138-139

Criterion 15 Monitoring and evaluation mechanisms for environmental stewardship

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
System to track and measure performance based on standardized performance metrics	DMA EN Management and verification policies and system	6.2 Organizational governance 6.5 The Environment	2-3; 18-20; 86; 88; 102-104; 106-109; 113; 115-117; 119-121; 127-128; 134- 136; 138; www.ferrero.com/socialresponsibility/code-business-conduct/
Leadership review of monitoring and improvement results	DMA EN Management and verification policies and system	6.2 Organizational governance 6.5 The Environment	2-3; 18-20; 86; 88; 102-104; 106-109; 113; 115-117; 119-121; 127-128; 134- 136; 138; www.ferrero.com/socialresponsibility/code-business-conduct/
Process to deal with incidents	DMA EN Management and verification policies and system	6.2 Organizational governance 6.5 The Environment	2-3; 18-20; 86; 88; 102-104; 106-109; 113; 115-117; 119-121; 127-128; 134- 136; 138; www.ferrero.com/socialresponsibility/code-business-conduct/
Audits or other steps to monitor and improve the environmental performance of companies in the supply chain	EC2 Financial implications and other risks and opportunities for the organization's activities due to climate change	6.5.5 Climate change mitigation and action	104

Criterion 16 Key outcomes of integration of the environmental principles

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Indicators on uses of materials and energy	EN1 Materials used by weight or volume EN3 Direct energy consumption by primary energy source EN8 Total water withdrawal by source	6.5 The Environment 6.5.4 Sustainable resource use	11; 105; 106; 111-113; 137
Indicators on emissions, effluents, and waste	EN16 Total direct and indirect greenhouse gas emissions by weight EN19 Emissions of ozone-depleting substances by weight EN20 NO, SO, and other significant air emissions by type and weight	6.5 The Environment 6.5.3 Prevention of pollution 6.5.5 Climate change mitigation and action	105; 113; Ferrero does not produce other significant air emissions
Indicators on the company's initiatives to promote greater environmental responsibility	EN2 Percentage of materials used that are recycled input materials EN5 Energy saved due to conservation and efficiency improvements EN10 Percentage and total volume of water recycled and reused EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved EN27 Percentage of products sold and their packaging materials that are reclaimed by category	6.5 The Environment 6.5.3 Prevention of pollution 6.5.4 Sustainable resource use 6.7.5 Sustainable consumption	88 ; 103-106; 109 ; 110-113; 115-117; 118-121; 127-128; 134-136; 138
Indicators on the development and diffusion of environmentally friendly technologies	EN6 Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives during the reporting period EN26 Initiatives to mitigate	6.5 The Environment 6.5.4 Sustainable resource use	108-109; 112; 115; 117-119; 121; 128; 135-136 ; 138-139



	environmental impacts of products and services, and extent of impact mitigation		
Disclosure of main incidents involving the company	DMA EN Management and verification policies and system	6.2 Organizational governance 6.5 The Environment	2-3; 18-20; 86; 88; 102-104; 106-109; 113; 115-117; 119-121; 127-128; 134- 136; 138; www.ferrero.com/socialresponsibility/code-business-conduct/

Anti-Corruption Implementation

Criterion 17 Commitments, strategies or policies in the area of anti-corruption

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Publicly stated formal policy of zero-tolerance of corruption	SO2 Percentage and total number of business units analyzed for risks related to corruption	6.6 Fair Operating Practices 6.6.3 Anti-corruption	22
Commitment to comply with all relevant anti-corruption laws, including the implementation of procedures to know the law and monitor changes	SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	6.6 Fair Operating Practices 6.6.3 Anti-Corruption 6.6.7 Respect for property rights 6.8.7 Wealth and income creation	22
Carrying out risk assessment of potential areas of corruption	SO2 Percentage and total number of business units analyzed for risks related to corruption	6.6 Fair Operating Practices 6.6.3 Anti-corruption	17; 22; www.ferrero.com/social-responsibility/code-business-conduct/
Detailed policies for high-risk areas of corruption	SO4 Actions taken in response to incidents of corruption	6.6 Fair Operating Practices 6.6.3 Anti-corruption	22; www.ferrero.com/social-responsibility/code-business-conduct/
Policy on anti-corruption regarding business partners	SO6 Total value of financial and in-kind contributions to political parties, politicians and related institutions by country	6.6 Fair Operating Practices 6.6.4 Responsible political involvement 6.8.3 Community involvement	Ferrero does not allow behaviors that, directly or indirectly, offer, promise, give or demand a bribe or other undue /improper advantage, with the intention of corruption, to public officials, civil servants, members of their families, and business partners. Ferrero does not allow contributions to political parties and/ or to candidates for public





			office www.ferrero.com/social-responsibility/code-business-conduct/
--	--	--	--

Criterion 18 Management systems to integrate the anti-corruption principle

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Support by the organization's leadership for anti-corruption	DMA SO Management and verification policies and system	6.2 Organizational governance 6.6 Fair Operating Practices 6.8 Community involvement and development	2-3; 16-19; 22; 30-31; 36-38; 42-44; 48-49; 74-75; 79-81; 88- 90; 93-97; www.ferrero.com/social-responsibility/code-business-conduct/
Human Resources procedures supporting the anti-corruption commitment or policy, including communication to and training for all employees	DMA SO Provide a concise disclosure on the following Management Approach items: goals and performance; policy; organizational responsibility; training and awareness; monitoring and follow-up; additional contextual information. SO3 Percentage of employees trained in organization's anti-corruption policies and procedures	6.2 Organizational governance 6.6 Fair Operating Practices 6.8 Community involvement and development	2-3; 16-19; 22; 30-31; 36-38; 42-44; 48-49; 74-75; 79-81; 88- 90; 93-97; Existing information systems do not provide consolidated data about percentage of employee training concerning anti-corruption policies and procedures. We are developing our data collection processes for reporting in the CSR Report 2013; www.ferrero.com/social-responsibility/code-business-conduct/
Internal checks and balances to ensure consistency with the anti-corruption commitment	SO4 Actions taken in response to incidents of corruption	6.6 Fair Operating Practices 6.6.3 Anti-corruption	22; www.ferrero.com/social-responsibility/code-business-conduct/
Actions taken to encourage business partners to implement anti-corruption commitments	SO4 Actions taken in response to incidents of corruption	6.6 Fair Operating Practices 6.6.3 Anti-corruption	22; www.ferrero.com/social-responsibility/code-business-conduct/

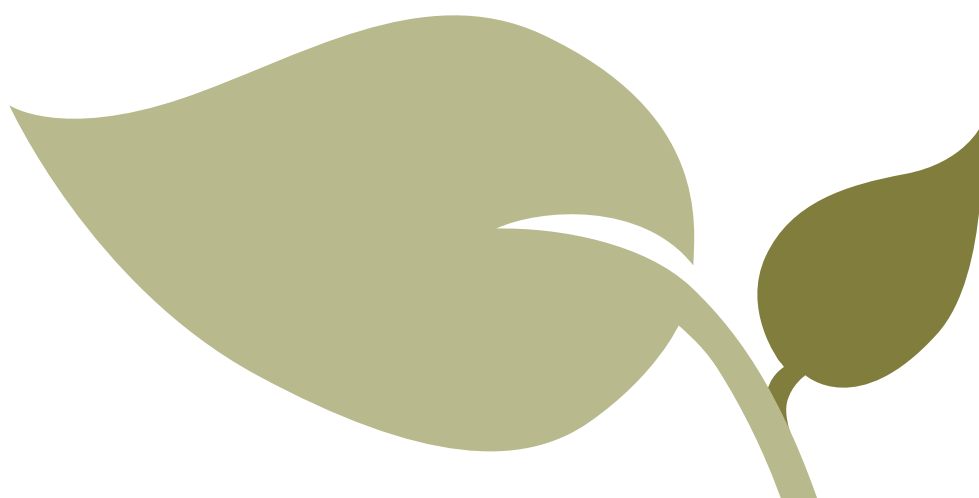
Management responsibility and accountability for implementation of the anti-corruption commitment or policy	4.1 Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight 4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided	6.2 Organizational governance	12; 56; www.ferrero.com/social-responsibility/code-business-conduct/
Communications (whistleblowing) channels and follow-up mechanisms for reporting concerns or seeking advice	SO4 Actions taken in response to incidents of corruption	6.6 Fair Operating Practices 6.6.3 Anti-corruption	22; www.ferrero.com/social-responsibility/code-business-conduct/
Internal accounting and auditing procedures related to anti-corruption	SO4 Actions taken in response to incidents of corruption	6.6 Fair Operating Practices 6.6.3 Anti-corruption	22; www.ferrero.com/social-responsibility/code-business-conduct/

Criterion 19 Effective monitoring and evaluation mechanisms for the integration of anti-corruption

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Leadership review of monitoring and improvement results	DMA SO Management and verification policies and system	6.2 Organizational governance 6.6 Fair Operating Practices 6.8 Community involvement and development	2-3; 16-19; 22; 30-31; 36-38; 42-44; 48-49; 74-75; 79-81; 88- 90; 93-97; www.ferrero.com/social-responsibility/code-business-conduct/
Process to deal with incidents	SO4 Actions taken in response to incidents of corruption	6.6 Fair Operating Practices 6.6.3 Anti-corruption	22

Criterion 20 Key outcomes of integration of the anti-corruption principle

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Outcomes of assessments of potential areas of corruption, where appropriate	SO2 Percentage and total number of business units analyzed for risks related to corruption	6.6 Fair Operating Practices 6.6.3 Anti-corruption	22
Outcomes of mechanisms for reporting concerns or seeking advice	SO4 Actions taken in response to incidents of corruption	6.6 Fair Operating Practices 6.6.3 Anti-corruption	22
Indicators Human Resources procedures supporting the anti-corruption commitment or policy	SO3 Percentage of employees trained in organization's anti-corruption policies and procedures	6.6 Fair Operating Practices 6.6.3 Anti-corruption	22; Existing information systems do not provide consolidated data about percentage of employee training concerning anti-corruption policies and procedures. We are developing our data collection processes for reporting in the CSR Report 2013.
Disclosure of main incidents involving the company	SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	6.6 Fair Operating Practices 6.6.3 Anti-Corruption 6.6.7 Respect for property rights 6.8.7 Wealth and income creation	22





Value Chain Implementation

Criterion 21 Implementation of the Global Compact principles in the value chain

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Analysis of sustainability risk, opportunity and impact in the value chain, both upstream and downstream	DMA SC Management and verification policies and system	n.a.	2-3; 6-7; 16-19; 86-87; 91; 94-96; 98-100; 102-102; 109; 115; 121; www.ferrero.com/social-responsibility/code-business-conduct/
Policy on value chain, including a policy for suppliers and subcontractors	4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation 4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	6.2 Organizational governance	2-4; 14; 16-17; 23; 38; 75; 103; www.ferrero.com/social-responsibility/code-business-conduct/ ; www.ferrero.com/social-responsibility/code-of-ethics/reliability-trust
	EC6 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	6.6.6 Promoting social responsibility in the value chain 6.8 Community involvement and development 6.8.5 Employment creation and skills development 6.8.7 Wealth and income creation	20; 45-46; 127; 133
	FP2 Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible	6.3 Human rights 6.4 Labor Practices 6.6 Fair Operating Practices 6.6.6 Fair	16-17; 23





	production standards, broken down by standard	Operating Practices	
Communication of policies and expectations to suppliers and other business partners	DMA LA Management and verification policies and system	6.2 Organizational governance 6.4 Labor Practices 6.3.10 Fundamental principles and rights at work	2-3; 18-19; 50; 52; 54; 57-62; 64; 67-69; 71-72; 124-125; 130; 132; www.ferrero.com/social-responsibility/code-business-conduct/ ; www.ferrero.com/social-responsibility/code-of-ethics/reliability-trust
	DMA HR Management and verification policies and system	6.2 Organizational governance 6.3 Human Rights 6.3.3 Due Diligence 6.3.4 Human rights risk situations 6.3.6 Resolving grievances 6.6.6 Promoting social responsibility in the value chain	2-3; 16-17; 20; 23; 86-87; 92-94; 96-99; www.ferrero.com/social-responsibility/code-business-conduct/ ; www.ferrero.com/social-responsibility/code-of-ethics/reliability-trust
	DMA SO Management and verification policies and system	6.2 Organizational governance 6.6 Fair Operating Practices 6.8 Community involvement and development	2-3; 16-19; 22; 30-31; 36-38; 42-44; 48-49; 74-75; 79-81; 88-90; 93-97; www.ferrero.com/social-responsibility/code-business-conduct/
	FP1 Percentage of purchased volume from suppliers compliant with company's sourcing policy	6.3 Human rights 6.4 Labor Practices 6.6 Fair Operating Practices 6.6.6 Fair Operating Practices	16-17; 23
Monitoring and assurance mechanisms (e.g. audits/screenings) for compliance in the value chain	DMA LA Management and verification policies and system	6.2 Organizational governance 6.4 Labor Practices 6.3.10 Fundamental principles and rights at work	2-3; 18-19; 50; 52; 54; 57-62; 64; 67-69; 71-72; 124-125; 130; 132; www.ferrero.com/social-responsibility/code-business-conduct/ ; www.ferrero.com/social-responsibility/code-of-ethics/reliability-trust
	DMA HR Management and verification policies and system	6.2 Organizational governance 6.3 Human Rights 6.3.3 Due Diligence 6.3.4 Human rights risk situations 6.3.6 Resolving	2-3; 16-17; 20; 23; 86-87; 92-94; 96-99; www.ferrero.com/social-responsibility/code-business-conduct/ ; www.ferrero.com/social-responsibility/code-of-

		grievances 66.6 Fair Operating Practices	ethics/reliability-trust
	DMA SO Management and verification policies and system	6.2 Organizational governance 6.6 Fair Operating Practices 6.8 Community involvement and development	2-3; 16-19; 22; 30-31; 36-38; 42-44; 48-49; 74-75; 79-81; 88-90; 93-97; www.ferrero.com/social-responsibility/code-business-conduct/
Awareness-raising, training and other types of capacity building with suppliers and other business partners	DM HR Management and verification policies and system	6.2 Organizational governance 6.3 Human Rights 6.3.3 Due Diligence 6.3.4 Human rights risk situations 6.3.6 Resolving grievances 6.6.6 Promoting social responsibility in the value chain	2-3; 16-17; 20; 23; 86-87; 92-94; 96-99; www.ferrero.com/social-responsibility/code-business-conduct/ ; www.ferrero.com/social-responsibility/code-of-ethics/reliability-trust
	DMA SO Management and verification policies and system	6.2 Organizational governance 6.6 Fair Operating Practices 6.8 Community involvement and development	2-3; 16-19; 22; 30-31; 36-38; 42-44; 48-49; 74-75; 79-81; 88-90; 93-97; www.ferrero.com/social-responsibility/code-business-conduct/





Transparency and Verification

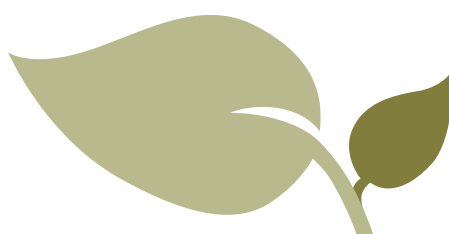
Criterion 22 Information on the company's profile and context of operation

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Legal structure, including any group structure and ownership	2.1 Name of the organization 2.3 Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures 2.6 Nature of owner and legal form	n.a.	10-13
Countries where the organization operates, with either major operations or operations that are specifically relevant to sustainability	2.4 Location of organization's headquarter 2.5 Number of countries where the organization operates, and names of countries with either major operations or that are specially relevant to the sustainability issues covered in the report	n.a.	10-11
Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	2.7 Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	n.a.	10-11
Primary brands, products, and/or services	2.2 Primary brands, products, and/or services	n.a.	8-9
Direct and indirect economic value generated for various stakeholders (employees, owners, government, lenders, etc.)	EC1 Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	6.3.9 Economic, social and cultural rights 6.6.6 Promoting social responsibility in the value chain 6.6.7 Respect for property rights 6.7.8 Access to essential services	20-21; 30-31; 33 ; 36-38; 40; 42; 45-48; 60; 62 ; 68; 70; 79; 80-90; 97; 110; 127; 133

	<p>EC3 Coverage of the organization's defined benefit plan obligations</p> <p>EC6 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation</p> <p>EC7 Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation</p> <p>EC8 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement</p> <p>EC9 Understanding and describing significant indirect economic impacts, including the extent of impacts</p>	<p>6.8 Community involvement and development</p> <p>6.8.3 Community involvement</p> <p>6.8.6 Technology development and access</p> <p>6.8.7 Wealth and income creation</p> <p>6.8.9 Social investment</p>	
--	--	---	--

Criterion 23 High standards of transparency and disclosure

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Ferrero COP uses the GRI Sustainability Reporting Guidelines	n.a.	n.a.	4; 156; Ferrero third CSR Report has attained GRI A+ level, as confirmed by GRI application level check.
COP qualifies for Level B or higher of the GRI application levels	n.a	n.a	4; 156; Ferrero third CSR Report has attained GRI A+ level, as confirmed by GRI application level check.



Criterion 24 The COP is independently verified by a credible third-party

UN Global Compact Best Practices	GRI- G3.1 & FPSS Disclosure on Management Approach (DMA) or Performance Indicators	ISO 26000 Core Social Responsibility Subjects & Themes	Reference of Our CSR report (Page)
Accuracy of information in Ferrero COP is verified by independent auditors (e.g. accounting firm)	3.13 Policy and current practice with regard to seeking external assurance for the report	7.5.3 Verification	4; 141-142; 156; Data of Ferrero third CSR Report has been externally assured by Deloitte.



FERRERO