



The Path Towards Sustainability 2009 Results

Barilla
The Italian Food Company. Since 1877.

The Path Towards Sustainability
2009 Results

Summary

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Group profile

Barilla was founded in Parma in 1877

Barilla is the world leader in the pasta market, a European leader in ready-made sauces, the leader in bakery products in Italy and crispbreads in Scandinavia

Barilla operates in the bakery, pasta, ready-made sauces, functional products and fruit smoothies markets

Barilla has 15,000 employees

Barilla

The Italian Food Company. Since 1877.

Barilla sells more than 1,000 products across 150 countries, serving all eating occasions throughout the day

Barilla owns 54 production facilities in 10 different countries, which manufacture 2.5 million tons of products each year

2009 revenue: Euro 4.2 billion



Alixir



Chief Executive Officer's letter



Our path towards sustainability, which is founded on responsibility, an integral part of our corporate life and development since we began, took on a more organic and structured format in 2008 that has continued and been further enhanced in 2009. We have defined new, concrete and measurable objectives that are further integrated into our corporate strategy, and we continue to promote nutritional models and eating habits that safeguard the environment while contributing to people's wellbeing. The outstanding results achieved have, on one hand confirmed the choices made, and on the other have encouraged us to do more and better, as we are convinced that being proactive is the best way of contributing to the economic, social and environmental development of our planet. Our mission is to go about our business every day to the best of our ability in full awareness of our responsibilities. Our products continue to have a positive nutritional content that is the fruit of research, constant innovation and the ever

improving quality of the ingredients used in our manufacturing process. Our brands continue to reflect the nutritional and social values in which we believe. In 2009 we continued to promote healthy lifestyles and eating habits designed to improve the wellbeing of the people, families and communities in which we operate, by using our scientific know-how and communication and educational channels. We intend to collate and rework our knowledge and inform our consumers through the Barilla Center for Food & Nutrition, which is now in its second year. Our desire is to help guide the socio-economic and nutritional-eating choices of the countries in which we operate in the right direction. We continued to improve the sustainability of our key processes while, at the same time, endeavoring to establish more solid, stable and constructive relations with all of our stakeholders. The positive results achieved so far will not dampen our commitment, with all members of our organization fully aware of our role as social and economic players that is increasingly recognized by our collaborators. We will continue to use our skills for the benefit of our consumers and all of our stakeholders in order to create value for future generations.

Massimo Potenza, Chief Executive Officer

Guide to reading the report

In order to communicate transparently our objectives and actions regarding sustainability, it is fundamental that we report consistently the outcome of all actions undertaken to all of our stakeholders. For this purpose our Report collates all Group sustainability data for 2009, updating the information published in the first Sustainability Report in 2008 (the Report). This is not a full Sustainability Report but rather an update of the data presented in the 2008 Report and is not intended to conform with GRI (Global Reporting Initiatives), although it fully reflects the provisions of our current reporting process. The performance indicators identified in the previous Report formed the basis for gathering the 2009 data. In light of the continued development of our commitments and in order to keep abreast of the challenging requirements of international standards, we intend to introduce further environmental, economic and social indicators in our 2010 Sustainability Report that enable us to measure the related impact and thus guide our business towards its future objectives. We are committed to this in our daily work. We do however wish to inform our stakeholders of events that took place in 2009, in order that they are aware of and are in a position to evaluate the progress of the path we are currently following. As in 2008, this update does not include Lieken, the leading fresh bread business in Germany, due to the diverse nature of the business compared to Barilla and the process of change that is still underway. Again in 2009 we engaged an external partner to assist us in the implementation of our reporting approach. FONDACA – Active Citizenship Foundation – a research and training organization that specializes

in corporate sustainability, accompanied us in the research and operational stages of our journey. Our aim in future is to align all business areas of each Group subsidiary with the common objective of rendering our daily business effectively sustainable for future generations and therefore play an active role in the reporting process. The information presented in this Report illustrates our achievements over the course of the year. While we are convinced that there is always room for improvement, we are also certain that the results attained are firm evidence of our determination to continue on our path towards sustainability. The pages that follow illustrate in table format our “Sustainability Model”, translated into a series of Challenges, Commitments and Objectives. The report reflects this Model: the actions and results achieved in 2009 are reported for each challenge and commitment. The appendix summarises the indicators adopted: those measuring the degree of achievement of individual objectives and the general indicators that assess other key actions. The corresponding value for 2008 is provided for each indicator so that the reader may compare and measure the progress made in 2009. Further details of actions undertaken in 2008 are provided on our website: <http://www.barillagroup.com/corporate/en/home/responsabilita/modello-di-sostenibilita.html>

	CHALLENGES	COMMITMENTS	
NUTRITION	<p>The situation in developed countries is complex:</p> <ul style="list-style-type: none"> - people are living longer and average age has increased - there has been a significant increase in obesity cases and metabolic syndromes starting from an early age in the latest generations - there is growing pressure from institutions to launch initiatives to prevent illnesses caused by unhealthy eating. <p>Food companies are called upon to produce food and nutritional models that are designed to improve people's health.</p>	DAILY WELL-BEING	Contribute to people's health and well-being every day with our products by transforming high-quality ingredients into safe, wholesome products that meet both basic and specific nutritional requirements and provide everyday solutions that aspire to the Mediterranean diet.
		PRODUCTS FOR SPECIFIC DIETARY NEEDS	Contribute to people's well-being by offering products that meet specific dietary needs.
SUPPLY CHAIN	<p>Consumers look to companies, especially food companies, to guarantee the quality and safety of the products sold and the economic, social and environmental sustainability of the supply chain in which they operate, which are becoming increasingly more complex due to the global nature of markets.</p>	SUPPLIER PARTNERSHIP	Encourage partnerships, or at least close cooperation, with suppliers in strategic networks.
		STANDARDS	Continuously improve the safety and quality of supplies and finalize sustainability standards to form the basis of all supplier relationships.
ENVIRONMENT	<p>We live in difficult times:</p> <ul style="list-style-type: none"> - atmospheric emissions produced by human activity are causing climate change - the exhaustion of non-renewable natural resources, including fossil fuels, is expected - agricultural crops grown to feed humans and animals and to create energy, are competing for increasingly limited resources such as arable land and water - human demand for fresh water has more than doubled in the last century. <p>It is essential that companies adopt sustainable practices, in particular to secure the survival of their own businesses.</p>	REDUCING OUR ECOLOGICAL FOOTPRINT	The Ecological Footprint will be reduced through two priority commitments: cut greenhouse gas emissions (GHG) generated in the industry in line with the Kyoto Protocol targets and minimize other environmental impacts along the supply chain, with particular attention to packaging materials in terms of reduction and recycling.
		ENERGY EFFICIENCY	Develop products and processes as energetically efficient as possible along the whole supply chain, reducing, where opportunity arises, the dependence on fossil fuels such as oil and coal.
		MANAGEMENT OF WATER RESOURCES	Rationalize the use of water supplies used in the supply chain.
HUMAN RESOURCES	<p>As a result of globalization, companies are operating in a multicultural environment and their values need to be adapted accordingly.</p>	CARE FOR AND DEVELOPMENT OF INDIVIDUALS	Promote employees' integration and their skills and competencies, by developing national and international programs that find the best ways to advance their welfare and ensure their health and safety.
		INDIVIDUAL AND WIDESPREAD RESPONSIBILITY	Promote and strengthen a culture of individual responsibility in which individuals take charge of their own role.
PEOPLE	<p>In a fast-moving, complex world:</p> <ul style="list-style-type: none"> - people live in a climate of great insecurity - consumers are overwhelmed by a wave of products, advertising and messages - contradictory information makes consumers wary of companies' products and advertising. <p>Foods manufacturers must reconcile the legitimate aim to sustain growth with a dutiful and proactive respect for the rules of healthy eating, adopting a form of communication that is unequivocal and promotes a healthy lifestyle.</p>	SAFETY AND QUALITY	Produce healthier and greater quality foods, providing the consumer with information about the safety of raw materials used and the manufacturing systems adopted.
		COMMUNICATION	Communicate fully and transparently, being careful to avoid encouraging excess or inappropriate use of our products compared to basic dietary needs dictated by healthy eating principles, especially where advertising is directed at children.
COMMUNITY	<p>International companies are required by the numerous communities in which they operate to assume the role of active partners, and therefore be jointly responsible for the community's general welfare.</p>	DEVELOPMENT	Participate in the development processes of all communities in which the company operates, either by direct intervention or through dialogue and cooperation with institutions.
		EDUCATION	Encourage and support educational efforts to promote a responsible lifestyle among young people and adults (health, exercise, nutrition, protecting the environment) and to contribute to the health of the communities in which the company operates.
STAKEHOLDERS	<p>Companies have:</p> <ul style="list-style-type: none"> - in the past failed their stakeholders (financial scandals, bankruptcy fraud, environmental disasters, accidents at work) - as a result bred mistrust among civil society. Companies must now take up the challenge they have been putting off for a long time, for which they need the support of their stakeholders. 	RELATIONS WITH STAKEHOLDERS	Involve stakeholders as far as possible in company practices, by establishing a dialectical relationship that produces maximum value both for them and for Barilla.
		INNOVATIVE APPROACH TO REPORTING	Put in place a permanent, innovative reporting model that ensures full and transparent communication of information to our stakeholders.

OBJECTIVES TO BE ACHIEVED BY 2014

<ol style="list-style-type: none"> 1. Execute a plan to improve continuously our products' nutritional profile in line with recent international guidelines. More specifically, reformulate 80 existing products to: reduce the content of salt, sugar and saturated fats and increase wholewheat cereals and fibers. 2. Create natural, wholesome products using safe, high quality ingredients. In particular eliminate the use of artificial colorants and hydrogenated fats and oils from all products. 	NUTRITION
<ol style="list-style-type: none"> 3. Launch 60 new products worldwide that satisfy specific nutritional needs. This will focus on products with specific nutritional claims, health products and wholewheat based products (containing more than 25%) and fruit and vegetable based products (containing more than 20%). 	SUPPLY CHAIN
<ol style="list-style-type: none"> 1. Extend controls over the key agricultural raw materials supply chains including the availability and quality of arable soil, water requirements, fertilizers and the impact on climate change. 2. Readdress the genetic improvement programs and develop cultivation practices, quality and food safety objectives, with environmental improvement targets, such as soil fertility defense, eutrophication, water consumption and carbon dioxide emissions reduction. 3. Increase by 20% the amount of durum wheat procured under cultivation contracts. 4. Extend the model to forecast durum wheat crops (DELPHI) to the Mediterranean basin. 	ENVIRONMENT
<ol style="list-style-type: none"> 5. Measure the environmental impact of the key supply chains in terms of Carbon Footprint, Water Footprint and Ecological Footprint. 6. Define environmental impacts standards and commence improvement projects in conjunction with suppliers throughout all stages of the supply chain. 7. Satisfy 100% of palm oil demand using suppliers that are a member of RSPO and that mainly originate from Malaysia or Papua New Guinea. 8. Purchase cocoa from suppliers who are members of ICCO and the WCF that have African processing facilities in line with the Code of Conduct and have been audited positively. 	HUMAN RESOURCES
<ol style="list-style-type: none"> 1. Develop and apply the Ecological Footprint calculation to all Barilla products, fixing global targets. 2. Reduce the Carbon Footprint of Barilla products by 15% (compared to 2008 values). 3. Reduce the direct and indirect Energy Global Warming Potential (GWP) by 30% (compared to 2008 values). 4. Increase the percentage of recyclable packaging on the market to 95% of total packaging (compared to 2008 values). 	PEOPLE
<ol style="list-style-type: none"> 5. Reduce the total energy consumption per finished product by 10% (compared to 2008 values). 	COMMUNITY
<ol style="list-style-type: none"> 6. Develop and apply the Water Footprint calculation to Barilla products, fixing targets. 7. Reduce the water consumption of finished products by 30% (compared to 2008 values). 	STAKEHOLDERS
<ol style="list-style-type: none"> 1. Increase the current investment in People Care by 20%. 2. Increase the number of training days, from the current average of 2 to 5 per employee. 3. Reduce the number of days absence due to accidents at work by 50% (the long-term target is nil critical accidents). 	
<ol style="list-style-type: none"> 4. Extend the concept of widespread responsibility through training on the Code of Ethics and corporate responsibility. 	
<ol style="list-style-type: none"> 1. Expand the Barilla control standards for raw materials and finished products to the Harry's France and Harry's Russia factories and proceed towards full integration. Develop plans that guarantee a 10% annual increase in conformance rates. 2. Significantly improve the completeness and quality of nutritional information provided on packaging and on the Barilla and individual brand websites, ensuring for all products on a worldwide scale that: <ul style="list-style-type: none"> - they are accompanied by a detailed nutritional label; - they contain recommendations for a balanced diet and healthy lifestyle; - there are suggestions regarding consumption (in particular, ideal portion sizes and ideas on how to combine products). 	
<ol style="list-style-type: none"> 1. Implement a long-term project that supports development of the communities in which Barilla operates, both in Italy and abroad. Dedicate suitable resources to this project, working closely with the stakeholders to meet the priorities identified by them, and be a key player in the development of the communities in which the factories are located. 2. Ensure that the Giocampus project is recognized as an excellent educational project model and make it available to local and national enterprises and any other socially active parties. 	
<ol style="list-style-type: none"> 1. Consolidate practices that allow the effective involvement of all stakeholders in the processes to which they pertain. For this purpose at least two panels relating to the reporting process should be organized each year alongside other meetings relating to facts, projects, activities, which bearing direct or indirect consequences for one or more stakeholder categories require their prior intervention to secure their valuable participation in the process. 2. Subsequent to each meeting, demonstrate the way in which each contribution was tackled and any resulting actions. 	
<ol style="list-style-type: none"> 3. Adopt a single reporting model for the whole Barilla Group (including the foreign subsidiaries) that makes reference to the same KPIs and that systematically involves all stakeholders and encompasses the largest number possible of constructive comments. 	

Daily well-being

OUR APPROACH

Dramatic changes in lifestyles over recent decades have led to new nutritional requirements around the world. Eating habits have also changed with busy lifestyles, which has led to an increase in health related issues. Today, nutritional models must be offered, that cater to current lifestyles as well as providing products for a healthy diet. Barilla views these new requirements as a challenge and each year we offer products that meet new consumer expectations of taste, nutrition, safety and convenience. Barilla is a leader in the Mediterranean Diet, promoting a balanced diet of cereals (bakery and pasta), fruit and vegetables, and offering ready-made sauces and drinks prepared following traditional Italian recipes.

OUR PRODUCT PORTFOLIO

The majority of Barilla products are found at the base of the Mediterranean Diet pyramid and should be consumed daily as part of a healthy diet. More than 75% of our products belong to the pasta, soft and toasted breads, cereals and vegetable-based sauces categories. More than 450 of our products (34% of total products) support nutrition and health claims on the pack. Our objective is to continuously improve the nutritional profile of our products, reducing the salt, saturated fat and sugar content while increasing the amount of wholegrains, which are naturally high in fiber and important micronutrients. During 2009, we reformulated three drinks in the Alixir range, resulting in a significant reduction in the sugar content. The Pan Bauletto Integrale (wholewheat bread) was also completely reformulated to contain 100% wholewheat flour. Our products are designed to avoid ingredients that contain GMO's, hydrogenated fats or artificial colors. To adopt these rules across all of Barilla, we implemented specific reformulation plans in products of newly acquired brands that do not yet meet our requirements. 10 products in the Croissant and Bread range of the Harry's brand in France were reformulated in 2009. Due to these continuous improvements in our portfolio, no products currently contain hydrogenated fats or oils and more than 99% of products are free from artificial colors.

GOOD HEALTH PROGRAMS

In 2009, Barilla Group continued its active commitment to supporting numerous initiatives advocating increased awareness of correct eating habits and nutrition. This included a meeting in the Italian Chamber of Deputies sponsored by the Dossetti Association on the subject of the Mediterranean diet plus a number of conferences focusing on healthy diets for infants and older children and on the importance of eating a balanced breakfast. We also continued our support of the "Gaining Health" project promoted by the Italian Department of Health. The objectives are two fold: making healthy choices easier by promoting improved nutritional profiles of food products and sponsoring information campaigns that strive to change unhealthy eating behavior.

NUTRITIONAL EDUCATION

Barilla is committed to providing complete product information as an essential role in contributing to people's daily well-being. We are meticulous in communicating our products' characteristics, with particular focus on ingredients and nutritional information. On the packages of most of our products, we indicate portion sizes, recipes, and when and how they should be eaten, in order to support healthy eating habits. We support educational initiatives aimed at school children regarding the balance between healthy eating and physical exercise. Over the last three years, Barilla confirmed the company's significant commitment in this area by promoting 15 initiatives (total investment of € 1.1 million), versus the 7 initiatives the company supported in 2008 (€ 0.8 million).



Products for specific dietary needs

PRODUCTS FOR SPECIFIC NUTRITIONAL NEEDS

Due to our changing and often hectic modern lifestyles, some key foods, such as fresh fruit, vegetables, legumes, are not readily available or convenient for many people. Taking these challenges into consideration, Barilla is committed to providing healthy product options that meet the needs of the consumer today. In particular, we have developed products with specific health and well-being benefits, without compromising on taste. These include:

- Barilla wholegrain pasta range, that is rich in fiber;
- Mulino Bianco wholegrain and Grancereale ranges, which are rich in fiber and various types of wholegrain cereals;
- Wasa crispbread and cereals ranges, rich in fiber and wholegrain cereals;
- Mulino Bianco Liberi per Natura bakery range with reduced fat, sugar and salt content;
- the Alixir functional product range that is designed to provide benefits for specific health needs. These benefits are communicated on pack, such as: 'helps control cholesterol', 'improves intestinal function', 'helps slow down cellular ageing by fighting off excess free radicals' and 'boosts the immune system'.

Barilla has demonstrated its commitment to providing healthy products to meet many nutritional needs with the launch in 2009 of 33 new products. The wholegrain product range was widened in the Bakery segment with 13 launches in the dry, soft breads and breakfast cereals categories, and 11 launches in the Pasta segment across Italy, Europe and the United States. Barilla provides consumers with many wholegrain options, as there is a proven strong link between the increased consumption of wholegrain cereals and the decreased incidence of many chronic diseases. New product categories have also been launched to offer more vegetables in the diet, including ready meals with vegetables and convenient vegetable side dishes. Our functional foods range, Alixir, has been expanded to include a new "Cereal and hazelnut crunchy bar" with active prebiotic fibers that help improve intestinal function.

NUTRITION ADVISORY BOARD

Throughout 2009, the Nutrition Advisory Board continued in its role of advising Barilla on focus areas in nutrition in order to meet the future needs of consumers and their well-being. The Board recommended improvement opportunities in the nutrition profile of all product categories, such as: reducing salt content, reducing the total fat level and the saturated fat content, and increasing the fiber content. Due to these recommendations, the consumers will see nutritionally improved products in the market over the next 5 years.

NUTRITION NETWORK

The collaboration with universities and research centers globally is critical for Barilla in order to achieve its nutrition strategy. Over the last three years, the company has made a significant commitment in the field of nutrition with a € 4.8 million investment worldwide; 39 new experimental studies and nutritional investigations were carried out in 2009 alone. The emphasis of the studies were to assess the effectiveness of functional ingredients in helping to control cholesterol and improve regularity and also to understand the relationship between food processing and preservation of key nutrients in the final product.

PUBLICATIONS AND CONVENTIONS

Over the last year, the company has actively participated in conferences on the topic of nutrition that has resulted in the launch of a number of important initiatives on health. The level of commitment to research is also confirmed by the publication of 2 scientific articles in renowned international journals (Scazzina e altri, 2009; Rosselli e altri, 2009).

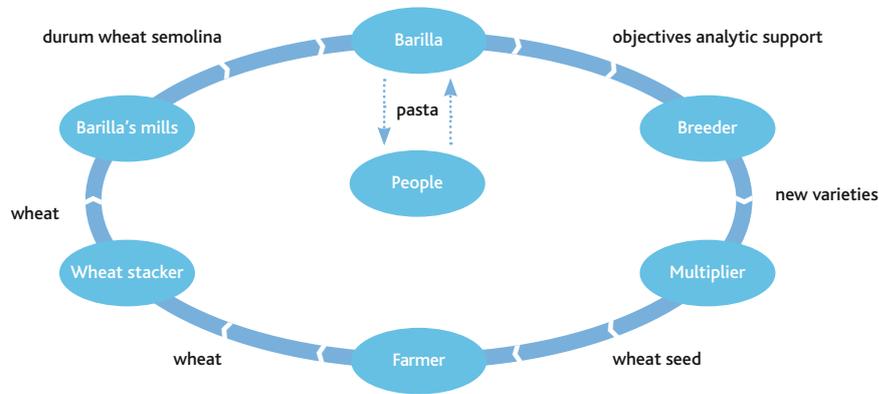


Supplier partnership

DURUM WHEAT SUPPLY CHAIN

The Barilla integrated supply chain differs from the classic linear structure, where the members are linked to each other in a straight chain, but is based on a closed loop circular approach.

Barilla Integrated Supply Chain



The model is designed to involve all of the players along the entire production chain of our key raw materials, such as durum wheat, in a common project by creating supplier partnerships.

SIGRAD PROJECT

Examples currently in practice comprise the SIGRAD (Società Interprofessionale Grano Duro) project and the High Quality Durum Wheat project in Emilia Romagna. The SIGRAD example has witnessed the creation of an interprofessional structure aimed at raising the competitiveness of the whole national supply chain. A number of research projects have been developed within SIGRAD to investigate the food safety issues and improve the sustainability of the supply chain. 2009 saw the conclusion of projects to assess the presence of certain toxins produced by parasite fungus in durum wheat (T2 and HT2), currently a topic of discussion at European level, and a study on reducing these in the milling process. Studies carried out over two years demonstrated that production in Italy is safe in this particular area. If these toxins were present, the milling process would reduce them by more than 90%. With regard to sustainability we investigated the possibility of recovering biomass generated along the durum wheat supply chain (straw, cleaning waste, bran, etc), which is normally not used for human consumption but is disposed of or in some cases burned. Results showed that energy may be produced by pyrolysis (combustion in the absence of oxygen): the combustion residues represent an excellent soil fertilizer. The advantages and processes of this technique are being examined further.



HIGH QUALITY DURUM WHEAT PROJECT IN EMILIA ROMAGNA

A further application of the integrated supply chain is the agreement entered into with the Emilia Romagna region, manufacturing organizations, farming consortiums and cooperatives for the cultivation of high quality durum wheat in Emilia Romagna. The agreement allows us to cultivate durum wheat to be used in the mill in Parma, reducing the environmental impact of raw materials transport and consolidating our presence in this area. We acquired 70,000 tons of wheat through the integrated supply chain in 2009. Studies have commenced as part of this project to identify best agronomic techniques for cultivating durum wheat in the region.

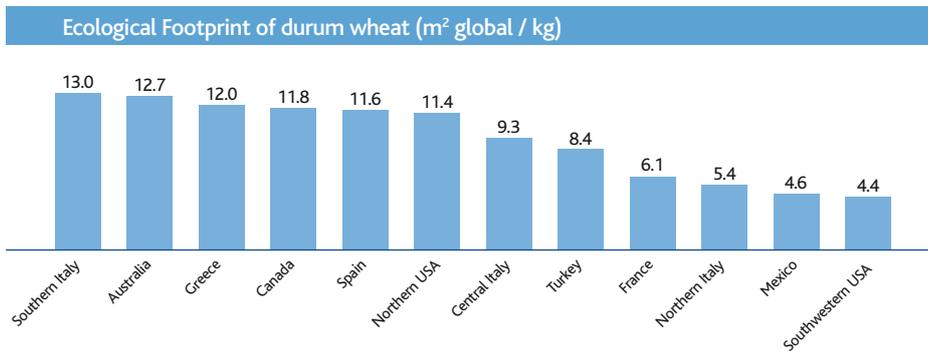
AUREO DURUM WHEAT

Again in 2009 we catalogued the Aureo durum wheat variety which was developed in conjunction with the Produttori Sementi Bologna, our long-standing partner for more than twenty years. This variety will allow us to cultivate outstanding quality durum wheat in Italy within our integrated supply chain, reducing imports and varieties that require irrigated cultivation.

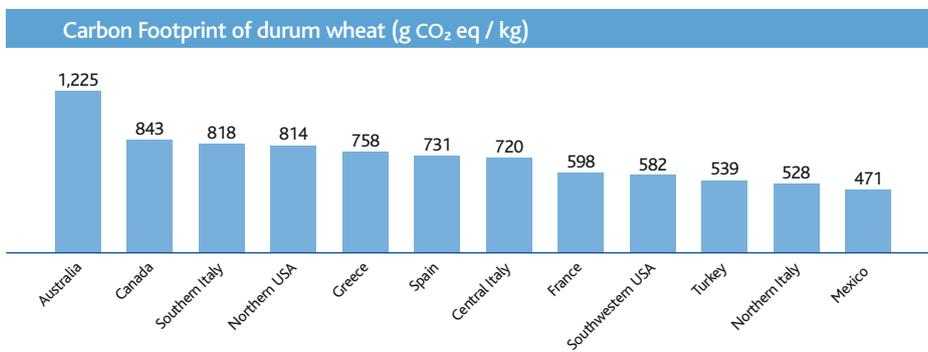
DURUM WHEAT LCA ANALYSIS

We performed a Life Cycle Assessment (LCA) on wheat and the impact on the various areas of production.

- Ecological Footprint of durum wheat is as follows:



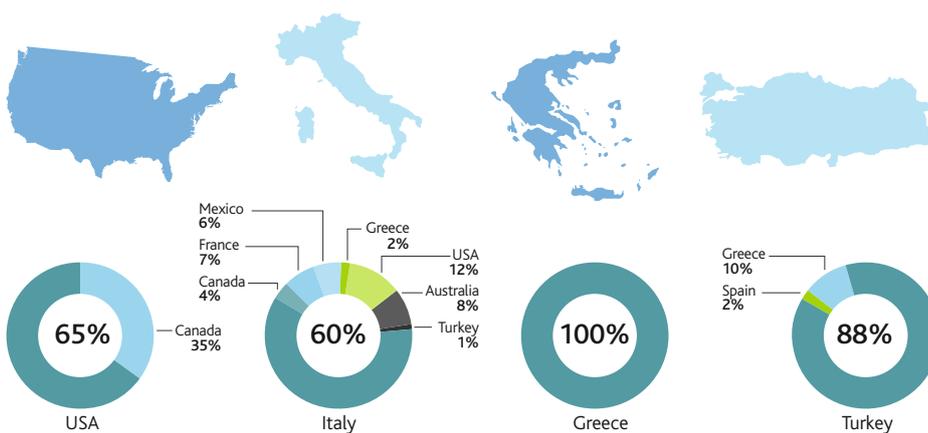
- Carbon Footprint of durum wheat is as follows:



DURUM WHEAT ORIGIN

63% of durum wheat used to produce Blue Box Barilla pasta is cultivated locally, in the same country as that of pasta production. More specifically, the percentage of durum wheat cultivated in each of the pasta production locations is as follows:

Blue Box: % of durum wheat cultivated in pasta producing countries



63%
Durum wheat for pasta cultivated locally

SPECIFIC STUDY ON FERTILISERS AND WHEAT CULTIVATION TECHNIQUES

The pasta LCA showed that one of the main impacts is the field phase, in particular the use of fertilizers that influence production yields and work carried out on the land. Barilla decided to embark on a specific project to analyze and compare different cultivation methods applicable in Italy, in order to identify more sustainable farming methods for the cultivation of durum wheat.

Standards

RAW MATERIAL RISK ASSESSMENT PROJECT

A Risk Assessment Model was developed to assess and extend control to the strategic agricultural raw materials supply chains. The model has allowed critical supply chains to be identified in terms of food safety, workforce safety, environmental impact, animal welfare and reputation.

A matrix was designed to map the environmental, social and reputation impact of every raw material, packaging or services supply chain. This tool identified the supply chain and critical factors in terms of sustainability that require intervention and investment, establishing supplier partnerships and collaboration where necessary.

PALM OIL SUPPLY CHAIN

The palm oil and cocoa industries are among the critical supply chains in terms of sustainability that Barilla follows most carefully.

In 2009, 100% of palm oil requirements were procured from suppliers that are members of the RSPO (Roundtable on Sustainable Palm Oil). This corresponded to 90% in 2008. Currently 70% of palm oil used originates from Malaysia and Papua New Guinea, countries that offer greater guarantees in terms of safeguarding the environment. Although this level remained constant at 70% actions are underway to increase significantly the sustainable management of the supply chain.

COCOA SUPPLY CHAIN

With regard to the cocoa supply chain, Barilla, in collaboration with its cocoa suppliers, continues to perform audits in compliance with the Barilla Code of Conduct: these are carried out at the processing plants where the raw materials are produced.

All non-compliance issues raised in previous audits of our largest cocoa supplier, which represents in excess of 75% of cocoa acquired by volume, were resolved in 2009.

SUPPLIER PARTNERSHIP PROJECTS

In order to render the product manufacturing supply chain more sustainable, a project was launched with our strategic copackers in 2009. The project foresees the implementation and certification of an Environmental Management System, which is UNI EN ISO 14001 compliant. This will facilitate continuous improvements in business processes and the development, where necessary and feasible, of projects to reduce environmental impacts; four strategic Copackers that produce Barilla bakery products have already been identified in the first stages of the project.



70%

*Palm oil originating from
Malaysia and Papua New
Guinea*

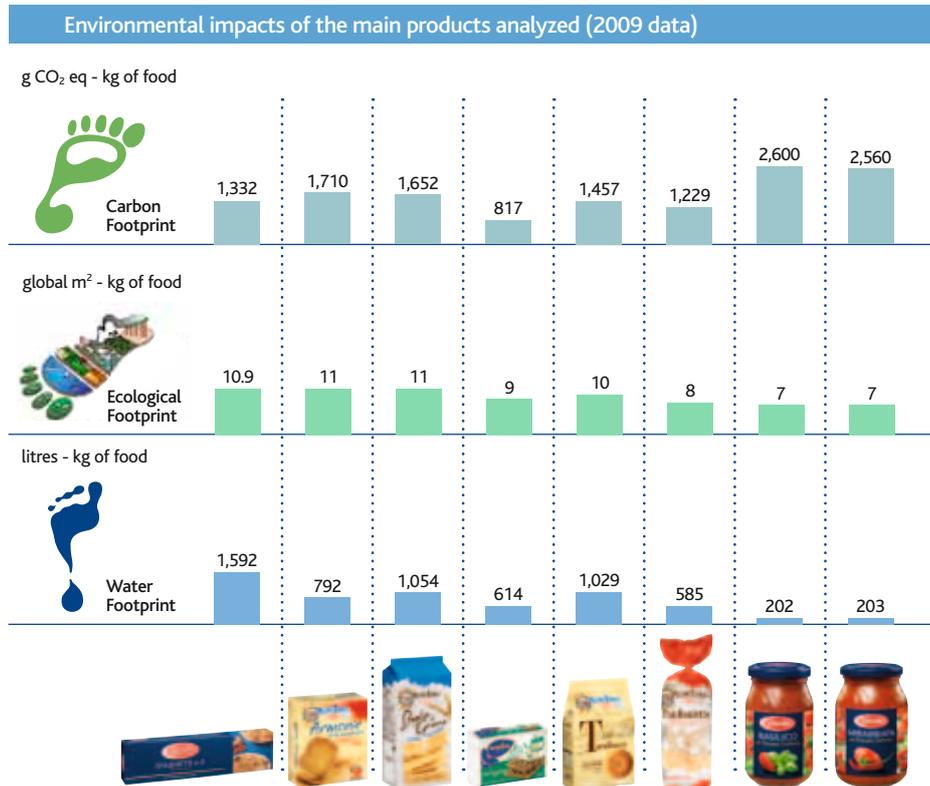
100%

*Palm oil originating from
RSPO member suppliers*

Reducing our Ecological Footprint

LIFE CYCLE ASSESSMENT

In order to reduce our Ecological Footprint we decided to measure the impacts of all processes in the supply chain. Barilla has adopted the Life Cycle Assessment (LCA) method to calculate three indicators – the Carbon Footprint, Ecological Footprint and Water Footprint – and the EPD-Environmental Product Declaration, in order to certify and communicate the environmental impact of all of its products. The information derived from the LCA represents a starting point for the subsequent assessments in order to measure the impact trend over time for each product. The figure illustrates an extract of the key impacts for the products analyzed.



What is LCA (Life Cycle Assessment)

Objective method of assessing the energy inputs and environmental releases relating to a process along the whole supply chain.

LCA of Barilla products

- Pasta with only durum wheat semolina with carton package, in Italy and abroad
- Tomato and Basil Sauce, Pesto alla Genovese Sauce, Arrabbiata Sauce
- Wasa Original, Wasa Solruta Sesam and Wasa Havreknacke, Husman
- Saccottino, Crackers, Tarallucci, Pan di Stelle, Pan Bauletto, Fette Biscottate, Storie di Frutta Mulino Bianco
- Togo Classic and Noir Pavesi

What is EPD (Environmental Product Declaration)

Independently verified, type III environmental declaration, that quantifies the potential environmental impact associated with a product's life cycle. Barilla will be the first food company, the second at worldwide level, to receive an EPD system that is independently certified.



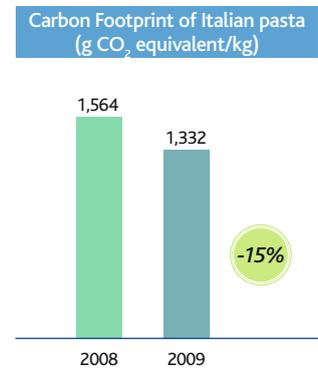
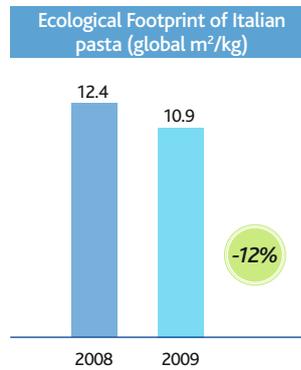
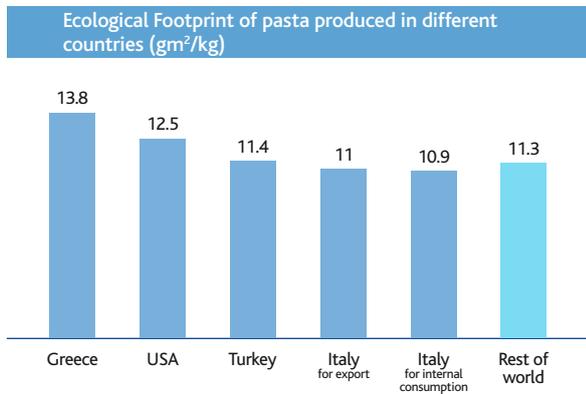
The main differences between these impacts largely depend on the product complexity, the type of cereals used and the energy mix used for the electricity production:

- pasta is manufactured using a single raw material, durum wheat, the cultivation of which produces different yields to those of the other raw materials;
- Mulino Bianco recipes products are more complex and include the baking phase;
- the Sweden Wasa production has the lowest impact per kg of product, due to the combination of a relatively simple recipe with the use of mainly renewable energy that produces extremely low greenhouse gas emissions;
- with regard to sauces, the lowest Ecological Footprint is dependent on high tomato production yields, while the highest Carbon Footprint is due to the primary packaging material, glass.

The LCA for semolina pasta produced in Italy and packaged in carton was updated in 2009 and published in a verified Environmental Product Declaration (available at www.environdec.com). This allowed comparison of the environmental performance for 2008 and 2009. The 12% reduction in the Ecological Footprint is largely due to changes in the yields of durum wheat over the two year period.

With regard to the Carbon Footprint, emissions fell by 15%: this change is essentially due to the cultivation phases of durum wheat and the pasta manufacturing process, which have benefited from the new cogeneration plant in the Parma pasta factory.

The LCA model was also extended in 2009 to all pasta production facilities throughout the world. Taking these into consideration separately, the average in Italy was compared to the worldwide average. The three indicators are now available for all countries in which pasta is manufactured. The Ecological Footprint data is summarized below.



PACKAGING

Actions taken in relation to packaging comprise:

- an increase in the percentage of recyclable packaging from 85% in 2008 to 92% in 2009;
- the design of special icons to be printed on pack to help consumers for the right packaging end of life management. Five different symbols were created in total;

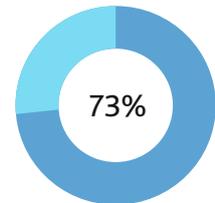


- updating the Ringo Tubo and Ringo Snack packaging to use single materials that are 100% recyclable, reducing total packaging by 36.9 tons (total/year);



- optimization of the Plumcake and Cornetti Mulino Bianco packaging to reduce the quantity of materials used and saturate the volume of physical space occupied. This led to the following reductions: 31 tons of polypropylene, 140 tons of cardboard, 233 tons of corrugated paper and 11,500 pallets, equivalent to 352 trucks (all data refers to the total/year).

Environmental Management System (ISO 14001)



73% of production takes place in factories that have certified Environmental Management Systems

Member of The Prince of Wales's Corporate Leaders Group on Climate Change (EU CLG)

In 2009 Barilla joined The Prince of Wales's Corporate Europe Leaders Group on Climate Change (EU CLG), which groups together leading international enterprises interested in taking immediate action to develop new long-term policies to tackle climate change. The group was convened by the Prince of Wales and is run by the University of Cambridge Program for Sustainability Leadership.

Energy efficiency

DECREASE IN ENERGY CONSUMPTION

Total energy consumption (electrical and thermal energy) decreased by 1.9% between 2008 and 2009, against a 0.8% increase in production: consequently energy consumption per unit of finished product fell by 2.7%.

In 2009 the lowest incidence of energy consumption per finished product was recorded in the Bolu, Foggia and Thiva plants for pasta and the Talmont and La Malterie factories for bakery products. The Avon and Thiva pasta plants and the Rubbiano and Gauchy plants for bakery products recorded the highest overall decrease.

With regard to the expansion of the Energy Saving Worldwide project, in 2009 the following initiatives were finalized: the electronic control system for the boilers in the Foggia plant; optimization of the consumption of machines on downtime in the packaging section of the Castiglione plant; installation of energy saving bulbs in Thiva and Rubbiano; installation of the *oil free* variable rate compressors in Pedrignano; the partial replacement of high efficiency motors in Rubbiano.

REDUCTION OF GWP (CO₂ EQUIVALENT)

Barilla has reduced the GWP by 7.8% (in absolute values between 2008 and 2009) against a 0.8% increase in production: consequently GWP per unit of finished product fell by 8.5%.

ENERGY SAVING PROJECT (ESP)

The result above was achieved by mean of the Energy Saving Projects (ESP) implemented in some plants, the start-up of the cogeneration plant in our largest pasta factory and covering the electrical energy used by Mulino Bianco with RECS certificates.

The bakery products' plant reduced CO₂ eq (GWP) emissions per unit of finished product by 4.2% in 2009.

RECS

Barilla signed a long-term sales contract with ENEL Energia in September 2009 for the supply of renewable energy sources so that all of the electricity used for the Mulino Bianco production is covered by the Renewable Energy Certificate System (RECS – www.recs.org). Further details are provided at www.mulinobianco.it.

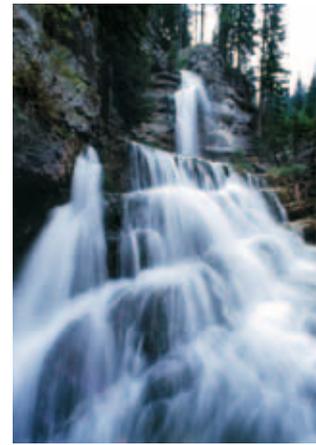
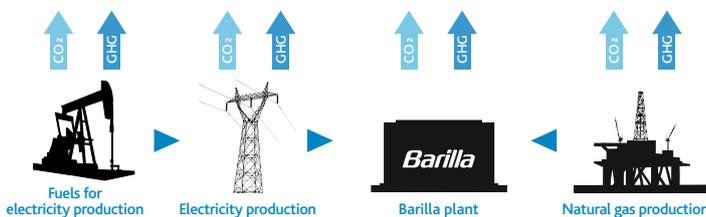
With this action, a decrease of 14% of the bakery GWP has been achieved.

COGENERATION

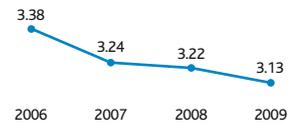
The Pedrignano cogeneration plant began operating at full capacity in February 2009 and construction of the trigeneration plant in the Caserta factory was finalized in July 2009. The cogeneration plant resulted in a 13% reduction compared to 2008 in GWP emissions per unit of finished product at the Pedrignano factory.

BEST IN CLASS FACILITIES

The pasta production plant with the best CO₂ (GWP) emissions index per finished product in 2009 was the Foggia plant. The plants that recorded the highest reduction in CO₂ (GWP) emissions per unit of finished product compared to 2008 were Avon and Pedrignano.



Energy consumption per unit of finished product (GJ/ton)



Year	Total energy consumption (Ml of GJ)
2006	4.8
2007	4.7
2008	4.7
2009	4.6

Decoupling of GWP compared to finished product volumes



-8%

GWP (CO₂ eq) per ton of finished product

What is GWP?

It is an indicator used to measure carbon dioxide emissions; GWP is measured in mass of CO₂ equivalent, converting the emissions of various greenhouse gases to CO₂ emissions based on factors fixed by the IPCC (Intergovernmental Panel on Climate Change).

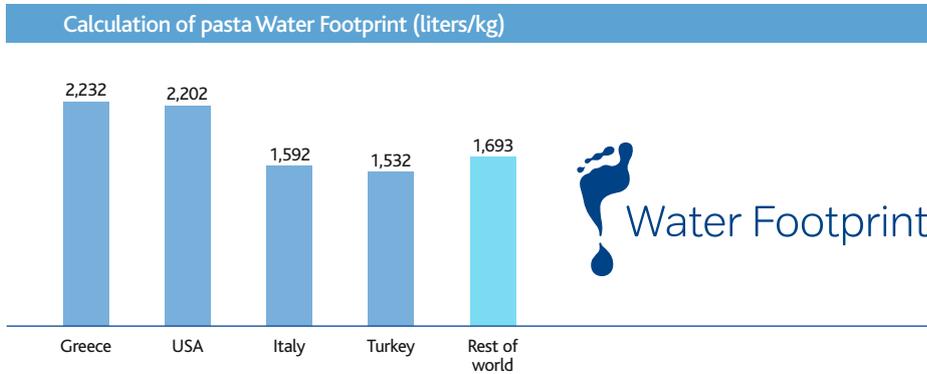


Management of water resources

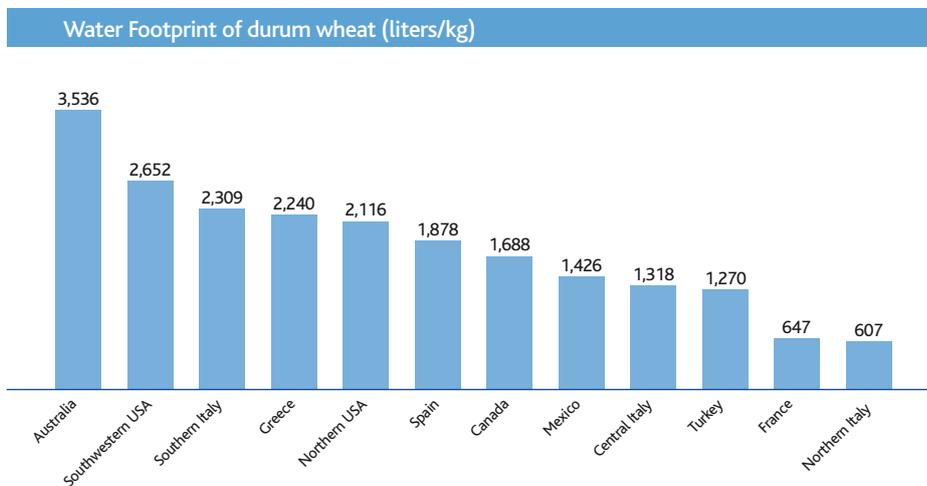
METHOD OF CALCULATING THE WATER FOOTPRINT

The LCA studies have been integrated using the Water Footprint calculation model in respect of durum wheat semolina pasta, bakery products and Barilla sauces.

The Water Footprint of semolina pasta manufactured in the various countries is presented below.



With this project the Water Footprint of durum wheat in the various countries in which it is cultivated has been calculated. Higher or lower water consumption in durum wheat cultivation is due to evapotranspiration (dependent on local climate) and the need of irrigation in certain areas (the South West of the United States for example). The graph illustrates how the impact in terms of liters of water consumed per kg of durum wheat in the various regions across the world varies considerably from country to country. Table illustrating values follows.



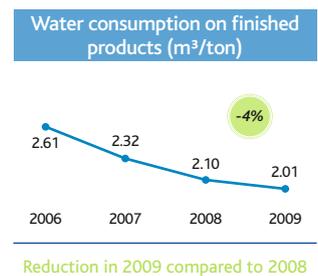
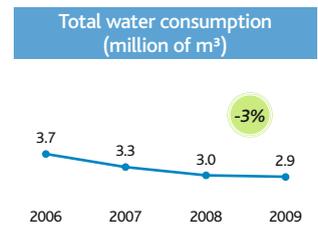
REDUCTION IN WATER CONSUMPTION IN PASTA FACTORIES AND BAKERIES

Water utilized for production fell by 3% in absolute terms between 2008 and 2009, against a 0.8% increase in production: consequently water consumption per unit of finished product fell by 4%.

BEST IN CLASS FACILITIES

The largest fall in water consumption per finished product in 2009 (compared to 2008) was recorded at the pasta factories of Thiva and Bolu and the bakeries in Novara, Ascoli and Cremona, with decreases greatly above 10% in some cases.

The following projects, that are part of the main reduction program implemented across the manufacturing facilities, deserve separate mention: the installation of electronically controlled flow and volume regulators (Foggia and Bolu); the reduction of open cooling circuits (in Pedrignano and Novara for example); the replacement of water cooled refrigeration units with air cooled refrigeration systems (Ascoli Piceno); the reduction of washing cycles (Thiva); optimization of the performance of the evaporation towers in all of the factories.



What is Water Footprint?

This is a similar concept to the Ecological Footprint; it expresses the renewable water sources consumed by an individual, nation or business. The Water Footprint is measured in volume (m³) of water used.

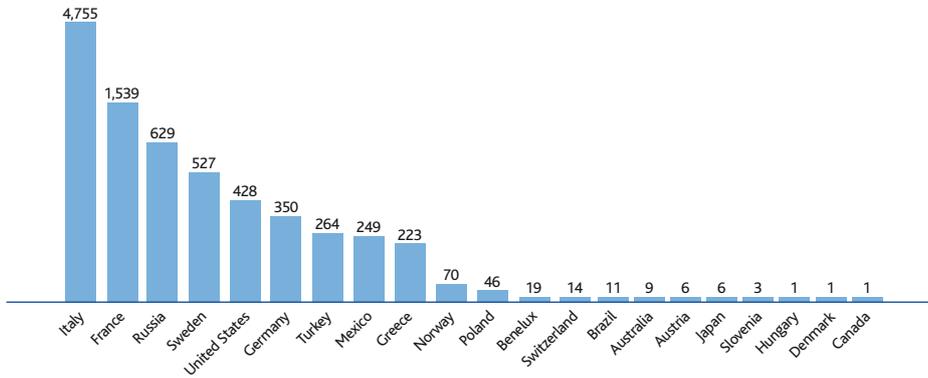
We calculated the Water Footprint of our products as the sum of the volume of surface or ground water (blue water) and the rainwater evapotranspired from the ground and cultivated plants (green water). The latter represents rainwater returned directly to the atmosphere from Barilla crop growing activities rather than replenishing the waterbeds that act as natural reservoirs. For further information please visit: www.waterfootprint.org, www.waternatural.org

Care for and development of individuals

"BARILLA PEOPLE"

Barilla employed more than 9,100 people in 2009 (excluding the 6,025 Lieken employees as this company is not included in the report at present), a decrease on the 2008 number that is largely due to the sale of La Bella Easo. "Barilla People" are distributed across the various countries as follows:

Distribution of employees within Barilla Group G. e R. Fratelli



The turnover rate in Italy calculated as the number of leavers over total full time employees (resignations, dismissals, pension, death...) amounted to 11.5% for executives, 4.6% for managers, 15.1% for clerks and 1.2% for workers. The average rate in America is 8.10%. The cost of labor in Italy analyzed by job category is estimated at 10% for executives, 16% for managers, 24% for clerks and 50% for workers. In America this may be broken down as 21% for executives, 28% for managers, 19% for clerks and 32% for workers. We continued in 2009 to pursue our systematic and integrated commitment at international level to identify and develop talents, to monitor performance evaluation and to develop leadership and technical skills within the organization, using as a basis the pillar of our systems, the Barilla Leadership Model launched in 2008.

TALENT SCOUTING

In 2009 we continued to identify and attract people with leadership qualities and who are willing to lead the change towards the future strategic objectives of the organization. We look for individuals with an international mindset that are inspired by our values: passion, courage, intellectual curiosity, trust and integrity. We established relationships with the best national and international universities and business schools.

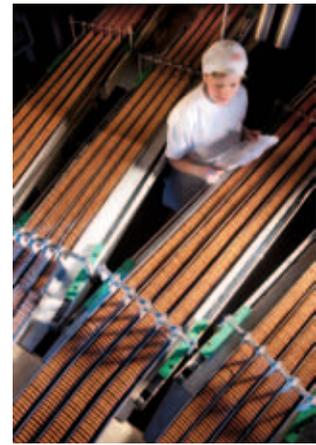
To promote the growth within the enterprise we hire new graduates through internships, subsequently employing 52.2% of them, both temporary or permanent contract.

PERFORMANCE MANAGEMENT

The Barilla individual performance management system uses the overall business objectives as a starting point of a cascading process going to individual business objectives across the various business areas. The model is implemented from the CEO down through all of our management team. As in 2008, 100% of our global managers were assessed under a unique system that requires a structured, continuous interaction between managers and employees in order to facilitate both the internal growth of each individual or the overall achievement of the Group's strategic objectives.

TRAINING

During 2009 we continued the new LAB (Barilla Laboratory for Food Culture) design project with the objective to transform Barilla into a knowledge based company and into an organization that is aimed to continuous learning with a shared perspective at Group level. Alongside the designing work on the new LAB, expenditure on training activities amounted to Euro 2.1 million in Italy and US\$ 434,244 in America, equal to 0.07% and 1% of revenue respectively. The number of training hours across employee categories was 10.1% on executive training activities, 33.9% for managers, 37% for clerks and 18.9% for workers.



Total employees in Italy

Executive & Managers:
percentage of men = 73.6%
percentage of women = 26.4%
Clerks:
percentage of men = 69.8%
percentage of women = 30.2%
Workers:
percentage of men = 79%
percentage of women = 21%

Total employees in the USA

Executives:
percentage of men = 71.4%
percentage of women = 28.6%
Managers:
percentage of men = 50.6%
percentage of women = 49.4%
Clerks:
percentage of men = 41.2%
percentage of women = 58.8%
Workers:
percentage of men = 85.9%
percentage of women = 14.1%

Distribution of training activities

Executives:
hours for men = 3,722
hours for women = 422
percentage of training hours on total = 10.1%
Managers:
hours for men = 9,291
hours for women = 4,583
percentage of training hours on total = 33.9%
Clerks:
hours for men = 9,413
hours for women = 5,730
percentage of training hours on total = 37%
Workers:
hours for men = 7,499
hours for women = 247
percentage of training hours on total = 18.9%

CARING FOR OUR PEOPLE

A Supplementary Health Fund was established by both the company and employees in 1947 to cover the medical expenses of employees and their families. The number of employees in Italy covered by the Supplementary Health Fund was 2,645, in line with the 2008 percentage. The expansion plan to cover all employees continued in 2009 together with the projects to launch a new company welfare system. Expenditure on People Care in 2009 represented 3.9% of total labor costs in Italy and 12% in America. This difference is mainly determined by the nature of the private U.S. health care system; the percentage includes health insurance costs.

The percentage of employees covered by the supplementary pension plan in Italy (Alifond) is in line with 2008: 64.10%.

DIVERSITY

Differences in gender, cultures, ideas and age are part of our corporate philosophy. Innovative employment contracts, such as part time and telework, represented 4% of total contracts in Italy in 2009. We hired four disable workers with teleworking contract.

Barilla is committed to not prejudicing the entry of women to the organization and supports their development through formally structured evaluation methods aimed at rewarding professional merit. The percentage of female managers continues to grow.

TRADE UNION RELATIONS

Over the years we have developed industrial relations between trade organisms and organizations and corporate management at all levels, local and national and at European level through the European Work Council (CAE - Comitato Aziendale Europeo).

38.2% of total employees in Italy were members of the trade union in 2009, in line with 2008.

In the course of the year, 52 labor disputes were raised in Italy and 2 in America, which were closed during the year.

The disputes in Italy cover the period from 2007 to 2009 and are related to employment law proceedings specific of one production location, in particular by former employees requesting reinstatement of their previous employment.

The absenteeism rate for all Italian factories was 6.5% while in America this amounted to 1.3% for 2009.

SAFETY AT WORK

In 2009 approximately 40,000 training hours were held on the subject of Health and Safety and played an important role in decreasing the incidence of accidents. Interdepartmental Work Groups were also set up and are responsible for Machinery Safety (CE Directive), Fire Prevention, Explosive Atmospheres Risk Management, Pressure Equipment Safety (PED Directive) and Workplace Ergonomics Guidelines updates.

HEALTH AND SAFETY CERTIFICATIONS IN ACCORDANCE WITH BRITISH STANDARD OHSAS 18001

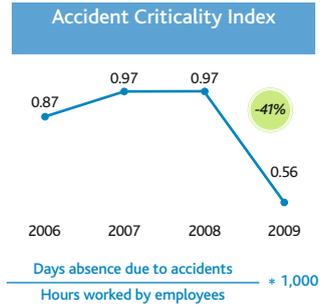
In 2009 Barilla continued its plan to roll out the Management System in compliance with British Standard Occupational Health and Safety Management System 18001 (Health and Safety), with certification being obtained by the Pedrignano (Italy) factory, which includes beyond industrial Facilities, the Headquarters, the Pilot Plants and the largest Durum Wheat Mill in Europe. Product volumes manufactured in 2009 in plants that adopt Health and Safety Management Systems certified under OHSAS 18001 represented 46% of total Group production.

AUDIT ACTIVITIES

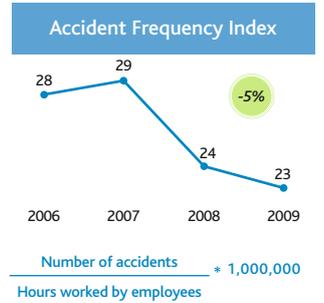
Audit activities on safety, on fire prevention and environment in production sites were intensified in 2009, with 87 audits (24% more than 2008) performed in accordance with a well defined plan covering all of the countries in which Barilla operates.

THE RESULTS OF PREVENTION

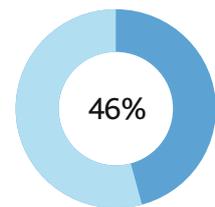
At Group level the number of days of absence due to accidents almost halved in 2009 compared to 2008, that led to a 41% fall in the Severity Index compared to 2008. The accident Frequency Index decreased by 5%.



-50%
The days absence due to accidents almost halved in 2009



Production with certified Health Management Systems



46% of our production takes place in factories with Health and Safety Management Systems certified under OHSAS 18001

Health and Safety Management System

The HSE Management System model has been translated into the following languages: Italian, English, French, German, Greek, Turkish, Russian, Swedish and Spanish.

Individual and widespread responsibility

THE PEOPLE AND VALUES

Our people are required to follow and promote responsibly the values that have guided our organization for generations. These values are defined and disseminated in the Code of Ethics that was updated in 2009 to include two new special sections in relation to crimes against the industry and commerce and the violation of copyright laws.

The Corporate Supervisory Body is responsible for ensuring observance with and safeguarding of the Code, and also oversees compliance with Legislative Decree 231/2001, which advocates the internal control culture within organizations as a means of crime prevention. The Supervisory Board was not required in 2009 as no cases of breach of the Code of Ethics or conflicts of interest came to light.

CORPORATE GOVERNANCE

The corporate governance structure of Barilla Holding S.p.A., the consolidating entity of all Group companies under its direct or indirect control, include the following corporate bodies: the Board of Directors, Executive Committee, Board of Statutory Auditors and the Accounting Control Body.

The governance structure is supported by the internal control system and the Organization, Management and Control Model prepared in compliance with Legislative Decree 231/2001 (hereinafter the "Model"). The Model encompasses the Code of Ethics that defines a set of principles and values that Barilla identifies with and that the directors, statutory auditors, employees, collaborators, consultants, suppliers and customers must observe.

The company no longer exercises direction and coordination activities over the operating companies of the Barilla Initiative Group as from 2009 this is performed by the latter.

In order to evaluate the effective and correct implementation of the Model, the Board of Directors appointed a Supervisory Body, which is composed of the heads of Group Legal and Corporate Affairs and Group Internal Audit, and an external member who is a self-employed professional. The Board of Statutory Auditors oversees compliance with the law and the articles of association, and compliance with principles of correct administration.

PricewaterhouseCoopers S.p.A. has been engaged to perform the control of the accounting records.

Barilla Holding holds an 85% interest in Barilla Iniziative S.r.l. (formerly Finba Iniziative S.r.l.) with the remaining 15% owned by Gafina BV.

Barilla Iniziative S.r.l. is composed of the following corporate bodies: the Board of Directors, the Board of Statutory Auditors and the Accounting Control Body.

The Board of Directors is vested with the widest powers: the management of the business and assessing the adequacy of the organization, administration and accounting structure. The Board of Directors comprises six directors of which 4 are executive.

The Group organization structure is based on two operational sub-holdings controlled by Barilla Iniziative S.r.l.: Barilla G. e R. Fratelli Società per Azioni and Lieken AG.

The corporate governance structure of Barilla G. e R. Fratelli S.p.A. largely mirrors that of Barilla Holding S.p.A., consisting of a Board of Directors, Board of Statutory Auditors and an Accounting Control Body.

The Board of Directors comprises 9 directors of which 4 are executive, 2 non-executive and 3 independent.

The members of the Board include the four Barilla brothers (3 of whom are executive directors), the Group CEO, a representative of the minority shareholder Gafina BV and three independent directors.

The Board of Directors is responsible for decisions of a strategic nature such as Group company investments over a certain limit, the acquisition and disposal of share groups or businesses and directives relating to total or partial proprietary rights.

The internal control system and the Model complete the governance structure.



Safety and quality

RAW MATERIALS

Our strong focus on the safety and quality of our products is driven by our duty of care for people and the fact that we are fully aware of the potential benefits of a healthy, balanced diet. We are therefore committed to managing every potential risk linked to the raw material and packaging procurement process, and product manufacturing and distribution.

Supplier Quality Specifications exist for every purchase detailing the organoleptic, chemical-physical and hygiene qualities and the point of origin of each of the 300 types of raw materials and 50 categories of packaging materials used. It is the work of 200 people who carry out periodic on-site inspections that guarantees these specifications. Samples are taken and analyzed for every batch delivered to the factory or the mill. We analyzed 54,913 batches in 2009 and 96% complied in full to our standards, in line with the percentage achieved in 2008 (96%). With regard to any samples that do not conform, analysis procedures are put in place immediately with the supplier in order to resolve the problems and prevent them recurring.

FOOD SAFETY SUPPLY CHAIN

The Food Safety Supply Chain project has enabled improvements in the safety level of supplies (raw materials and packaging materials). The skills acquired and the in-depth reviews carried out on the various supply chains have resulted in the definition of new management rules that are currently being implemented across the entire Group. Given the highly complex nature of our procurement process, the skills development process is constantly evolving and involves all business areas responsible for guaranteeing the safety of every supply.

FINISHED PRODUCT CONTROLS

All finished products are subjected to a series of organoleptic (including tasting), microbiological and chemical-physical controls in order to check quality before being distributed for consumption. We analyzed 117,308 batches of products in 2009, of which 93.2% were fully compliant. This is a significant improvement on the compliance level achieved in 2008 (92%) and meets corporate expectations. The batches that do not pass selection mainly relate to minor quality defects.

In order to guarantee the quality and safety of our products, in 2009 we invested Euro 28.5 million in prevention and control activities, an increase of Euro 0.5 million on 2008. The major areas of expenditure relate to cleaning and sanification of all of the Group production lines (almost 60% of total expenditure), monitoring activities and production contamination risk prevention and the resources of the Q&FS teams of each Business Unit, headquarters and the Quality Controls departments of the Group's plants and mills.

TRACEABILITY AND RETRACEABILITY

Our automated traceability and retraceability system is in operation throughout all of our facilities and enables matching of raw materials and packaging materials batches used with the source supplier and the finished product in which they were incorporated. This system allows identification of the customer to whom each finished product batch was delivered. Where problems arise we can act immediately both to identify the origin of the problem and resolve it and to safeguard the consumer in the event of serious defects.

CONSUMER CONTACT

Consumer and client contact continued in 2009 through the consumer service units: 28% of questions raised related to information on promotional initiatives, 21% related to product information (in particular shelf-life, product availability in stores and prices), 29% regarded complaints, 6% referred to nutritional questions and food safety, while the remaining 16% were general queries regarding the company.



Note relating to data provided

The scope of reporting this year includes all of the Barilla GeR Fratelli Group, consequently all of the current indicators provided cover the entire Group, contrary to 2008 where information was not available in respect of Harry's France and Harry's Russia. This has involved a significant commitment in terms of disseminating the indicators and their use and a considerable effort in order to harmonize the rules and guidelines governing data collation and management.

Communication

OUR PRINCIPLES

Through its 13 brands, Barilla sells more than 1,000 products serving all eating occasions throughout the day. It is essential that all products are distributed following high standards of communication. We are fully aware that the proper communication of our products is fundamental to consumer choices.

We do not limit our disclosures merely to those required by law, but consider it essential to provide additional information. We follow two main principles:

- the qualities attributed to products must always be verified scientifically;
- advertising, where the medium allows, must contain messages relating to healthy lifestyles that are linked to the product.

PACKAGING

Product packaging not only has a highly powerful visual effect on the purchases but it allows the company to offer advice on recommended portion sizes, nutritional qualities, cooking instructions and how to dispose of packaging.

Packaging is the meeting point between consumption needs and what manufacturers have to offer; consequently, it is of fundamental importance that it is as clear and transparent as possible. We aim to encourage people, across different lifestyles if possible, to adopt healthy eating habits. 57% of packaging displays recommended portion sizes, compared to 41% in 2008. We are working on the design of product packaging to provide advice on healthy lifestyles or balanced diets as we noted a fall in this area (22% against 25% in 2008). Detailed nutritional tables are provided on 87% of packaging.

TRADITIONAL ADVERTISING

We have always aimed to promote our products through television, radio or the press. We endeavor to maintain a creative and emotional communication style, which encourages, particularly in children, moderate consumption of our food products. We firmly believe that parents and close family play a fundamental role in educating eating habits. For this reason our advertising is set in the context of daily life situations and where possible in the open air in contact with nature.

INTERNET

Traditional advertising has met a new generation in recent years: Internet. Barilla has also developed communication methods that meet the new digital demands. The web presents excellent opportunities to spread messages that normally do not have enough space on packaging or that require too much time for normal advertising spots. We gathered data on 9 of our 13 brands (Barilla, Mulino Bianco, Alixir, Harry's, Filiz, Misko, Voiello, Pavesi, Wasa): 9 out of 9 have a website, 7 of these provide detailed nutritional tables, 7 provide suggestions on healthy lifestyles and balanced diets, 3 recommend ideal portion sizes and 5 give instructions on product preparation.

These websites may be accessed via www.barillagroup.com.

NEW FORMS OF CONSUMER INVOLVEMENT

New forms of communication aimed at directly involving consumers in educational and interactive initiatives were launched in 2009:

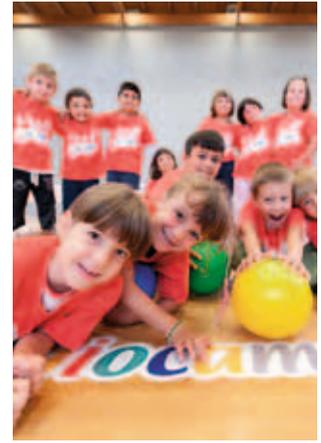
- "The Italian Breakfast" and "Wake up tour" was a project devised by Mulino Bianco and dedicated to breakfast time. This involved educational and informative activities staged in small mills set up across squares in Italy.
- Pasta Party: these are events dedicated to pasta where the public has the opportunity to try different recipes dedicated to the traditional Italian first course.



Development

BARILLA THROUGHOUT THE WORLD

The Group's activities do not only have a direct impact on people's diet but also on the areas in which our production plants, mills and distribution activities are located. Barilla owns 25 plants, 9 mills and 8 logistics platforms across 10 countries. In many cases our organization represents the largest in the area resulting in a significant impact on the local economy.



JOBS

7,037 people are employed in our factories every day, not counting those who work in the offices. Indirect employees (through contractors) amounted to 719. The sales force in Italy consists of 211 employees and 16 agencies employing 332 collaborators of sales agents. A network of contracting companies employing a total of 1,245 people work for us in the logistics sector, a decrease on the 1,375 people employed in 2008: this is due to the downturn in the national and international economies that led the company to recover efficiency in the distribution process.

PRODUCT DONATIONS

Given the nature of the business in which we operate, one of the most effective methods of helping local communities is through product donations. As in 2008 almost all of our manufacturing facilities donated part of their production to support organizations and initiatives. 1,119 tons of products were donated in 2009, including the donations made to the Banco Alimentare in Italy and Feeding America in the United States.

HEALTH OF LOCAL COMMUNITIES

Barilla offered assistance this year to the earthquake hit communities of the Abruzzo region. Areas of intervention were identified together with local institutions and the heads of Civil Protection: this comprised construction of the school complex of the town of San Demetrio ne' Vestini. We recognized the need to act immediately in order to allow the children of L'Aquila to return to school as quickly as possible. The project officially commenced on 5 August 2009 with Barilla and the San Demetrio ne' Vestini council signing the protocol agreement. This collaboration between the public and private sectors enabled the school to be completed in less than 100 days. The total investment amounted to Euro 1 million. The project involved restructuring work on the primary and middle schools and the total reconstruction of the infant school. On 19 September 2009, on occasion of the start of the new school year, the children were able to unveil the school complex and enjoy the new buildings. The project continued in 2010 with the construction of a gym connected to the school that may be used by both students and members of the local community. Our initiatives aimed at the community do not end here. Almost all of the Group factories, both at home and abroad, contributed to the wellbeing of the communities in which they operate by participating in social activities and cultural, sporting and art events. Among these were the donation made by the Ascoli Piceno factory to the child sponsorship charity Albero della Vita, various contributions to enogastronomic events promoting local products and a number of sports activities.

Education

GIOCAMPUS

Commencing with the 2009-2010 school year we have now established a permanent version of the Giocampus education initiative. The founding idea, which came from a study performed in 2001, is to offer a multidisciplinary experience to young people between the ages of 5 and 14, based around an intense program of educational and play activities, covering both sport and diet, the aim of which is to promote healthy lifestyles in future generations.

The initial project developed between 2002-2009 in two separate phases, involved the promotion of physical exercise in primary schools in the months of October to May in collaboration with the Parma Town Council, CONI (the Italian National Olympic Committee) and the USR (Regional School Office) and at the summer camp in Parma in June and July, aimed at providing basic information on eating habits and experimenting with different sports in collaboration with the University of Parma and the University Sports Centre (CUS). Giocampus was revisited in 2009-2010 in order to cover the entire school year and now offers a unique, continuative educational-play format. This permanent program has been implemented in primary schools in Parma, and integrated with normal educational activities without affecting the schools decision making authority. This has seen the creation of a public-private partnership between Barilla and the Parma Town Council, CONI, the CUS, the University of Parma and the Emilia Romagna Regional School Office. The program's guidelines and their content have been validated by a scientific committee made up of various experts in the field of age development: nutritionists, sports doctors, developmental psychologists, educationists, pediatricians and auxologists.

Giocampus is considered a reference model in the national education framework and covers three fields: physical education, eating education and the promotion of scientific research. The program consists of three phases:

- Giocampus School - normal educational activities in primary schools are supplemented with a two-sided physical and eating education program.
- Physical education: teachers are supported by ISEF qualified trainers and/or graduates in Physical Education, which gives each pupil access to 60 hours of physical education in the school gym per school year.
Eating education: the teachers present a 20 hour program during the school year, supported by specific educational material, theoretical and practical training courses in the Academia Barilla and in the classroom by graduates in Food Science, which will enable pupils to experiment with laboratories and tools dedicated to the subject matter.
- Giocampus Snow - a week's activities in mountain resorts offering the chance to experience winter sports and experiment with diet.
- Giocampus Summer - a multi sport summer camp that uses a play approach to teach the basics of a healthy diet and appropriate physical activity.

THE RESULTS OF GIOCAMPUS

Since the 2005 edition of Giocampus Summer we have monitored children's eating habits at breakfast time. Following our constant insistence on the need to eat a healthy breakfast, we have noted some stability in the tendency to put on weight and a slight fall in obesity in children between the ages of 8 and 11 who followed the program rigorously. Further scientific evidence is to be made available in 2010, five years after this initial revelation.

A graduate dissertation, "Physical activity and nutritional choices of normal weight and overweight individuals", was discussed in 2009 based on the Giocampus experience. The following articles were published in the Acta Biomed journal: "Sedentary lifestyle in active children admitted to a summer sport school" and "Sport injuries prevention strategy in active children. The Giocampus Barilla experience".

"BARILLA 1...2...3...VIA!"

The "Barilla 1...2...3...VIA!" project was finalized in Parma in June 2009. The project was founded on the concept of continuity and synergies between physical exercise and healthy eating principles. Starting with the 2009-2010 school year, "Barilla 1...2...3...VIA!" and Giocampus have been merged into the permanent program described above.



The Giocampus numbers

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In 2009, 7,500 primary school pupils were involved, comprising 2,540 children between the ages of 5 and 14 at the summer camp, 350 primary school teachers and 300 experts and educators. The quality survey carried out by the parents of the 2,540 children that took part in the summer camp awarded satisfaction levels of between good and excellent in line with 2008.
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Relations with stakeholders

EMPLOYEE INVOLVEMENT

We continued in 2009 to implement our policy of involving and interacting with the entire organization.

The mapping of our stakeholders enabled us to concentrate our efforts and take a more structured and organic approach to dealing with the various categories. The principal objective of this contact was to expose the key characteristics of our Sustainability Model as our intention is to involve our employees to a greater degree in our path towards sustainability.

Actions were taken at different levels. Information was spread within the organization using internal communication tools. The corporate house organ was sent to all employees across the various locations. This content was also disseminated electronically through the corporate intranet. In order to provide professional support to our managers, the Sustainability Operating Group organized 15 training sessions with the managers of all business areas. The main meeting held on 29 May 2009 at corporate headquarters was attended by university lecturers, managers from large industrial enterprises, environmental and social voluntary associations who shared their experience in the field of sustainability.

INTERNATIONAL DIALOGUE

Outside the organization we attended many initiatives both in Italy and abroad. Our Deputy Chairman, Paolo Barilla, demonstrated our approach to achieving a food model sustainable for people's health and the environment at the World Pasta Day conference that took place in New York on 26 October, which united the leaders of the international pasta industry.

The Barilla Sustainability Model was presented by the Deputy Chairman to the City University of New York and the Boston College as part of the "Euro-American meetings on citizenship" program organized by FONDACA – Active Citizenship Foundation.

The model was also presented in Barcelona at the conference on 5 June attended by leading players in the consumer goods industry (ECR- Efficient Consumer Response).

We took part in a series of initiatives in Italy: Consumer Forum in Rome, Indagine Forum Solidarietà (Solidarity Investigation Forum) on strategies for profit - non profit collaborations, Sodalitas Award in Milan where the Barilla Giocampus project was awarded for its contribution to local communities, Socialis Award in Rome, study days held by Politeia in Milan and many others.

BARILLA CENTER FOR FOOD & NUTRITION

The main event of the year in Italy involving our stakeholders was without doubt the first edition of the "Barilla Center for Food & Nutrition International Forum" (BCFN) in Rome, where representatives of Italian and international institutions, NGO's, leading experts in the fields of health, economy, society and the environment, discussed and listened to current and emerging needs relating to pressing issues affecting the world of food and nutrition. In conjunction with the Forum the BCFN's fourth volume "Challenges for Food Security" was published. At the "Ambrosetti Meeting" in Cernobbio, the Group Chairman Guido Barilla, together with members of the BCFN Advisory Board, presented the third position paper on the subject of "Health and Safety". The event in Rome enjoyed wide media coverage not only in Italy.

OTHER IMPORTANT EVENTS

Two events took place at our manufacturing facilities in Parma and Melfi. One of the most significant outcomes of the first meeting was the dialogue between institutions and civil society on environmental issues.

The second allowed the results of a study carried out by the University of Milan to be shared with the local community, whereby it demonstrated the intangible resources employed by the Melfi factory that enable it to achieve outstanding production and quality levels.



Antitrust

The Autorità Garante della Concorrenza e del mercato (AGCM - Italian Antitrust Authority), issued a decision in 2009 accusing a number of pasta producers belonging to the UNIFI (Italian Union of Pasta Makers) of fixing anti-competitive sales prices charged to retailers. This decision also involved Barilla G. e R. Fratelli Società per Azioni, as the defense argument brought forward during the course of the proceedings was not admitted. The decision of the AGCM was challenged by the majority of the pasta producers involved before the Regional Administrative Court in Lazio, which during the same year issued a judgment upholding the AGCM order. This judgment was challenged before the Italian Council of State, requesting at least a partial reform; these proceedings are pending.

2009 factory visits

Factories	Visits	People
Castiglione	7	249
Cremona	3	86
Melfi	8	204
Pedrignano	119	2,000
Rubbiano	12	413
Galliate	15	20
France	30	300
Greece (Volos and Thiva)	3	75
Turkey	2	80
Russia	10	200
Mexico	6	150
Ames (USA)	11	180
Avon (USA)	3	59
Sweden	6	53
Germany	4	82

Innovative approach to reporting

THE INVOLVEMENT OF THE ENTIRE ORGANISATION

The fundamental elements of our sustainability approach are reporting to and guaranteeing transparency for all of our stakeholders. We are continuously committed to implementing the current model and following its target objectives, keeping our stakeholders constantly informed of the results of our actions. The involvement of the entire organization plays a fundamental role in our path towards sustainability. The report is increasingly proving to be an instrument for change; for this reason it is essential that all areas within the company are involved and participate in the development of the areas linked to sustainability.

The organization structure established in 2008 to coordinate and develop the process is still in place and is divided into three teams. The first comprises the CEO and directors of each business area who have the task of providing strategic direction. The second comprises the Director of Corporate Communication, the project leader and the FONDACA team, who provide scientific-methodological support to the process. The third is represented by the managers of all business areas who actively contribute to the project.

The next step is to consolidate and intensify work at an international level in order to facilitate expansion of the reporting area of the Sustainability Report.

STAKEHOLDER INVOLVEMENT

The stakeholder map was elaborated and used in 2009 to identify systematically all parties that may potentially be interested in the impact of our business. The Sustainability Report was issued to all parties to enable them to review the results and raise questions and give their opinion on our work.

This led to a series of observations that will be taken into consideration during preparation of the next Sustainability Report.

The initiatives to involve stakeholders largely took place within the company in 2009.

A structured series of meetings with each individual category spread the sustainability culture and gathered feedbacks designed to improve the reporting process. The workshop held on 29 May 2009 proved to be another important occasion involving internal stakeholders, during which the management team gathered valuable suggestions from internal stakeholders.

INTERNATIONAL STANDARDS AND AREA OF REPORTING

Following publication of our first Sustainability Report our immediate challenge focused on improvement.

The reporting area in respect of data is unchanged in 2009 with the exception of a few indicators where more subsidiaries were included; the table illustrates the percentage of indicators used by Group companies.

The subsidiary Lieken is again this year not included in the reporting area.

We have taken action to expand the reporting area and meet our commitment to extend the reporting standards to all Barilla subsidiaries throughout the world. We are also working to improve the process by putting in place actions that will enable us to adopt new indicators and improve the level of application of the GRI guidelines.

The indicators adopted and the results for 2009 compared with 2008 are provided in the table set out in the appendix. Each item of data is accompanied by the relevant reporting area.



Group companies and percentage of indicators adopted	
Harry's (France)	55%
Harry's (Russia)	35%
Barilla (USA)	62%
Yemina and Vesta (Mexico)	45%
Wasa (Germany and Scandinavian Countries)	56%
Wasa (Norway)	46%
Filiz (Turkey)	56%
Misko (Greece)	56%
Number1 (Italy)	88%

The path continues



This update presents the main actions and results of our path towards sustainability in 2009. In order for an item to be considered sustainable it must be renewed year after year and must not exhaust the resources that supply it. We aim to make all of our initiatives more sustainable in order to ensure we respect the rights of those who will come after us and we operate responsibly to respect those living today.

Nothing that we have achieved over the years has been lost or will be lost in future. Throughout 2010 we endeavored to follow our target objectives with great commitment and determination. We continued to produce foods that guarantee people's wellbeing, by safeguarding the environment and all of our supply chain pre and post production, by taking responsible actions in the areas and communities that are important to us, by consolidating



communication to ensure it contains transparent and direct information and invites families, young and old to adopt healthy eating habits, through educating our employees by fostering a sense of responsibility and by consolidating stakeholder relations. Our commitment may be witnessed in the construction of the gym in San Demetrio Ne' Vestini in Abruzzo, the sponsorship of events and publications of the Barilla Center for Food & Nutrition and the set-up of a permanent panel of stakeholders.

These and all of the actions, successes and difficulties of 2010 will be reported in 2011 in the new Sustainability Report, the second in the history of the Barilla Group.

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Glossary

CO² equivalent

The coefficients used to determine equivalent CO² emissions relating to electrical energy consumption were calculated using the Ecoinvent data bank and the reports of the International Energy Agency (IEA). Ecoinvent issues emissions data for every electricity conversion technology across various countries, while the IEA reports provide energy mixes, in the form of an analysis of the various technologies employed by country. The Ecoinvent data relate to energy production in 2004, while IEA refers to production in 2008. The conversion coefficients adopted for calculation purposes were those published by the Intergovernmental Panel on Climate Change (IPCC) in 2007 (source PAS 2050).

EPD (Environmental Product Declaration)

This is an independently verified, type III environmental declaration, that quantifies the potential environmental impact associated with a product's life cycle. These impacts must be assessed in compliance with Product Specifications and presented in an easily comparable format through the standardization of a number of parameters. The EPD system is managed at international level by the Swedish Environmental Management Council.

LCA (Life Cycle Assessment)

This is an objective method of assessing the energy inputs and environmental releases relating to a process (whether it be a product or service); this assessment analyses the entire supply chain, comprising the extraction or cultivation of raw materials, manufacturing, packaging, transport, distribution, consumption, reuse and final disposal.

RECS

The RECS (Renewable Energy Certificate System) system is an international instrument established to stimulate the use of renewable energy and operates on a voluntary basis. A certificate is issued for every MWh of electricity produced from renewable sources. By purchasing certificates, companies can guarantee that the energy used by them is generated from renewable sources. Further details may be found at: www.recs.org.

Appendix: table of performance indicators

Nutrition - Daily well-being

Objectives to be achieved by 2014: execute a plan to improve continuously our products' nutritional profile in line with recent international guidelines. More specifically, reformulate 80 existing products to: reduce the content of salt, sugar and saturated fats and increase wholewheat cereals and fibers.

Indicators linked to the objective	2008 results	Area	2009 results	Area
No. of products reformulated to improve nutritional profile	3	D	7	D

Objectives to be achieved by 2014: create natural, wholesome products using safe, high quality ingredients. In particular eliminate the use of artificial colorants and hydrogenated fats and oils from all products.

Indicators linked to the objective	2008 results	Area	2009 results	Area
% of products in portfolio that do not contain artificial colours, hydrogenated fats or oils	98%	D	99%	D

General indicators	2008 results	Area	2009 results	Area
No. of initiatives relating to good nutrition	7	D	15	D

Nutrition - Products for specific dietary needs

Objectives to be achieved by 2014: launch 60 new products worldwide that satisfy specific nutritional needs. This will focus on products with specific nutritional claims, health products and wholewheat based products (containing more than 25%) and fruit and vegetable based products (containing more than 20%).

Indicators linked to the objective	2008 results	Area	2009 results	Area
No. of new products launched, created to respond to specific nutritional needs	8	D	41	D

General indicators	2008 results	Area	2009 results	Area
Economic resources dedicated to nutritional research, to nutritional scientific studies and conventions, and disseminating scientific results	Euro 4.6 million	D	Euro 4.8 million	D

Supply chain - Supplier partnerships

Objectives to be achieved by 2014: extend controls over the key agricultural raw materials supply chains including the availability and quality of arable soil, water requirements, fertilizers and the impact on climate change.

Indicators linked to the objective	2008 results	Area	2009 results	Area
No. of key agricultural raw materials supply chains over which controls have been extended	Durum wheat supply chain	C	Durum wheat supply chain ("analysis of cultivation system" project launched)	C

Objectives to be achieved by 2014: readdress the genetic improvement programs and develop cultivation practices, quality and food safety objectives, with environmental improvement targets, such as soil fertility defense, eutrophication, water consumption and carbon dioxide emissions reduction.

Indicators linked to the objective	2008 results	Area	2009 results	Area
No. of improvement projects	Creation and selection of dedicated crops varieties, integrated supply chain	C	Creation and selection of Aureo variety	C

Objectives to be achieved by 2014: increase by 20% the amount of durum wheat procured under cultivation contracts.

Indicators linked to the objective	2008 results	Area	2009 results	Area
% of durum wheat requirements satisfied through cultivation contracts	30% of durum wheat acquired in Italy through integrated supply chain	C	30% of durum wheat acquired in Italy through integrated supply chain	C

Objectives to be achieved by 2014: extend the model to forecast durum wheat crops (DELPHI) to the Mediterranean basin.

Indicators linked to the objective	2008 results	Area	2009 results	Area
No. of areas to which the model has been extended	Italy	C	Italy	C

General indicators	2008 results	Area	2009 results	Area
No. of critical supply chains	2	B	2	B
List of critical supply chains	Palm oil and cocoa	B	Palm oil and cocoa	B

% of key raw materials acquired from integrated supply chains on total per country	30% of durum wheat acquired in Italy from integrated supply chains	B	30% of durum wheat acquired in Italy from integrated supply chains	B
Reason why supply chain is considered critical	Deforestation practices, loss of biodiversities, social matters (eg. remuneration, safety and child labour)	B	Deforestation practices, loss of biodiversities, social matters (eg. remuneration, safety and child labour)	B

Supply chain - Standards

Objectives to be achieved by 2014: measure the environmental impact of the key supply chains in terms of Carbon Footprint, Water Footprint and Ecological Footprint.

Indicators linked to the objective	2008 results	Area	2009 results	Area
No. of strategic supply chains for which the environmental impact was measured	Durum wheat supply chain	B	LCA on durum wheat	B

Objectives to be achieved by 2014: define environmental impacts standards and commence improvement projects in conjunction with suppliers throughout all stages of the supply chain.

Indicators linked to the objective	2008 results	Area	2009 results	Area
No. of improvement projects	-	C	Project launched to support strategic copackers in implementation and certification of environmental management system	C

Objectives to be achieved by 2014: satisfy 100% of palm oil demand using suppliers that are a member of RSPO and that mainly originate from Malaysia or Papua New Guinea.

Indicators linked to the objective	2008 results	Area	2009 results	Area
% of palm oil requirements satisfied by suppliers that are members of the RSPO	90% of requirements satisfied by RSPO suppliers, 70% of palm oil originated from plantations in Papua New Guinea	B	100% of requirements satisfied by RSPO suppliers, 70% of palm oil originated from plantations in Papua New Guinea	B

Objectives to be achieved by 2014: purchase cocoa from suppliers who are members of ICCO and the WCF that have African processing facilities in line with the Code of Conduct and have been audited positively.

Indicators linked to the objective	2008 results	Area	2009 results	Area
% of audits carried out on critical supply chains	50% of African facilities	B	50% of African facilities. All issues raised during audits of major cocoa supplier in relation to non-compliance successfully resolved (77% of volume acquired)	B
% of suppliers members of ICCO and WCF	80% of cocoa acquired from ICCO and WCF suppliers	B	80% of cocoa acquired from ICCO and WCF suppliers	B
General indicators	2008 results	Area	2009 results	Area
% of raw materials guaranteed to be sustainable on total of each supply chain critical in terms of sustainability	80% of cocoa acquired from ICCO and WCF suppliers	B	80% of cocoa acquired from ICCO and WCF suppliers	B

Environment - Reducing our Ecological Footprint

Objectives to be achieved by 2014: develop and apply the Ecological Footprint calculation to all Barilla products, fixing global targets.

Indicators linked to the objective	2008 results	Area	2009 results	Area
% of volumes covered by EPD	30%	B	50%	B

Objectives to be achieved by 2014: reduce the Carbon Footprint of Barilla products by 15% (compared to 2008 values).

Indicators linked to the objective	2008 results	Area	2009 results	Area
Carbon Footprint	1,564 g of CO ₂ per kg of pasta	B	1,332 g of CO ₂ per kg of pasta (-15%)	B

Objectives to be achieved by 2014: reduce the direct and indirect Energy Global Warming Potential (GWP) by 30% (compared to 2008 values).

Indicators linked to the objective	2008 results	Area	2009 results	Area
GWP	0.461 [mil ton CO ₂ eq]	B	0.425 [mil ton CO ₂ eq] (-7.8%)	B

Objectives to be achieved by 2014: increase the percentage of recyclable packaging on the market to 95% of total packaging (compared to 2008 values).

Indicators linked to the objective	2008 results	Area	2009 results	Area
% of recyclable packaging launched on market	85%	B	92%	B

General indicators	2008 results	Area	2009 results	Area
Ecological Footprint (analysis by Crop Land, Energy Land and Forest)	12.4 [global m ² /kg]. 75% Crop Land, 24% Energy Land, 1% Forest	E	11.2 [global m ² /kg]	L
Plants certified under ISO 14001: % of plants certified out of total	57%	F	57%	F

Environment - Energy efficiency

Objectives to be achieved by 2014: reduce the total energy consumption per finished product by 10% (compared to 2008 values).

Indicators linked to the objective	2008 results	Area	2009 results	Area
Energy consumption by ton of finished product	3.22 [Gj/ton]	F	3.13 [Gj/ton]	F

General indicators	2008 results	Area	2009 results	Area
Total energy consumption (EE+ET)	4.7 [Mln of Gj]	F	4.6 [Mln of Gj]	F
CO ₂ emissions in GWP - Global Warming Potential	1.46 [mil ton CO ₂ eq]	F	1.47 [mil ton CO ₂ eq]	F

Environment - Management of water resources

Objectives to be achieved by 2014: develop and apply the Water Footprint calculation to Barilla products, fixing targets.

Indicators linked to the objective	2008 results	Area	2009 results	Area
% of volume covered by EPD	30%	F	50%	F

Objectives to be achieved by 2014: reduce the water consumption of finished products by 30% (compared to 2008 values).

Indicators linked to the objective	2008 results	Area	2009 results	Area
Consumption of water per ton of finished product	2.10 [m ³ /ton]	F	2.01 [m ³ /ton] (-4%)	F

General indicators	2008 results	Area	2009 results	Area
Total consumption of water	3 [Mln of m ³]	F	2.9 [Mln of m ³]	F
Reduction of total water consumption	9%	F	3%	F
Reduction of water consumption on finished products	9.5%	F	4%	F

Human Resources - Care for and development of individuals

Objectives to be achieved by 2014: increase the current investment in People Care by 20%.

Indicators linked to the objective	2008 results	Area	2009 results	Area
Incidence of People Care activities expenditure on total employee costs	4% of total employee costs	C	3.9% (Italy); 12% (USA)	I

Objectives to be achieved by 2014: increase the number of training days, from the current average of 2 to 5 per employee.

Indicators linked to the objective	2008 results	Area	2009 results	Area
No. of average training days per employee	2	C	2.4	C

Objectives to be achieved by 2014: reduce the number of days absence due to accidents at work by 50% (the long-term target is nil critical accidents).				
Indicators linked to the objective	2008 results	Area	2009 results	Area
Accident Frequency Index	24 [No. of accidents/No. hours worked by employees* 1,000,000]	F	23 [No. of accidents/hours worked by employees* 1,000,000 (-5%)	F
Accident Criticality Index	0.97 [days absence per accident/hours worked by employees*1,000]	F	0.56 [days absence per accident/hours worked by employees* 1,000] (-41%)	F
Specific training programs on safety at work	Diagnosis of prevention culture, training of trainers and workers' training	F	6 hours of training per employee, inter functional work group activities to update safety guidelines	F
General indicators	2008 results	Area	2009 results	Area
No. of people covered by supplementary health plan	2,000	C	2,645	C
% of people covered by supplementary pension plan	67%	C	64.10%	C
No. of employees and their distribution by country	9,500 + 6,500 (Lieken)	A	More than 9,100 + 6,025 (Lieken)	A
Category and spread of current innovative contracts	Part time and flex time (4% of total contracts)	C	Part time and flex time (4% of total contracts)	C
No. of disputes raised	40	C	52 (Italy); 2 (USA)	I
Transformation rates of internship contracts	47%	C	52.2%	C
% of female managers on total managers	25%	C	26.4% of managers (Italy); 49.4% (USA)	I
% of employees that are trade union members	39%	C	38.2%	C
Factories certified under OHSAS 18001system	4	F	5 + offices, experimental lines, pilot plants and mill (Pedrignano)	F
Distribution of training activities	32% of managers, 42% of middle management	C	10.1% executives, 33.9% of managers, 37% of clerks, 18.9% of workers	C
Investment in training	Euro 1.7 million	C	Euro 2.1 million	C
% of employees covered by an annual performance evaluation system	100%	G	100%	G
Turnover rate	N.A.	I	11.5% of executives, 4.6% of managers, 15.16% of clerks, 1.2% of workers (Italy), 8.1% average rate (USA)	I
Absenteeism rate	N.A.	I	6.5% (Italy); 1.3% (USA)	I

Human Resources - Individual and widespread responsibility

Objectives to be achieved by 2014: extend the concept of widespread responsibility through training on the Code of Ethics and corporate responsibility.				
Indicators linked to the objective	2008 results	Area	2009 results	Area
No. of violations of Code of Ethics	3 cases	B	None	B
No. of conflicts of interest	2 cases	B	None	B

People - Safety and quality

Objectives to be achieved by 2014: expand the Barilla control standards for raw materials and finished products to the Harry's France and Harry's Russia factories and proceed towards full integration. Develop plans that guarantee a 10% annual increase in conformance rates.				
Indicators linked to the objective	2008 results	Area	2009 results	Area
No. of batches of raw materials analysed and % of batches that conform in full	47,500 batches analysed, of which 96% conform in full	H	54,913 batches analysed, 96% conform in full	B
No. of batches of finished product analysed and % of batches that conform in full	87,499 of batches analysed, of which 92% conform in full	H	117,308 batches analysed, of which 93.2% conform in full	B
General indicators	2008 results	Area	2009 results	Area
% analysis of reasons for consumer contact (requests for promotional information, nutritional queries, product information, complaints)	38% of requests related to promotional initiatives, 16% of requests related to product information, 8% to nutritional queries and 38% to complaints	C	28% of requested related to promotional initiatives, 21% to product information, 6% to nutritional queries and food safety, 29% to complaints, 16% related to general queries regarding the company	B
Economic resources (including cleaning, sanitization and Integrated Pest Management) invested on product quality and safety	Euro 28 million	B	Euro 28.5 million. Resources largely dedicated to employees working in quality, food safety, and cleaning and sanification activities	B

People - Communication

Objectives to be achieved by 2014: significantly improve the completeness and quality of nutritional information provided on packaging and on the Barilla and individual brand websites, ensuring for all products on a worldwide scale that: - they are accompanied by a detailed nutritional label; - they contain recommendations for a balanced diet and healthy lifestyle; - there are suggestions regarding consumption (in particular, ideal portion sizes and ideas on how to combine products).				
Indicators linked to the objective	2008 results	Area	2009 results	Area
No. of products with detailed nutritional labels (on packaging and website in accordance with current regulations) and % of total products sold	85% of packaging provides a detailed nutritional table	D	87% of packaging provides a detailed nutritional table	D
No. of products containing advice on healthy lifestyle/balanced diet, on packaging and website	25% of products	D	22% of products	D
No. of products that provide advice on recommended consumption (ideal or maximum portion sizes), on packaging or website	41% provide ideal portion sizes	D	57% provide ideal portion sizes	D

General indicators	2008 results	Per.	2009 results	Per.
No. of legal proceedings and/or fines received following episodes of misinformation, non observance of rules relating to product communication and labeling	1 (Alixir case)	D	None	D

Community - Development

Objectives to be achieved by 2014: implement a long-term project that supports development of the communities in which Barilla operates, both in Italy and abroad. Dedicate suitable resources to this project, working closely with the stakeholders to meet the priorities identified by them, and be a key player in the development of the communities in which the factories are located.

Indicators linked to the objective	2008 results	Area	2009 results	Area
No. of jobs, no. of plants and their location	25 production plants, 9 mills, 8 logistics' platforms. 7,450 direct employees	B	25 production plants, 9 mills, 8 logistics' platforms. 7,037 direct employees	B
Analysis and description of major indirect impacts considering the external factors created (indirect employment and local suppliers in respect of most significant operating facilities)	More than 750 indirect employees. The sales force in Italy consists of 225 employees and 399 collaborators of sales agents. 1,375 people are employed indirectly in the logistics segment	B	719 indirect employees. The sales force in Italy consists of 211 employees and 16 agencies, which in turn employ 332 collaborators of sales agents. 1,245 people work for us in the logistics sector	B
Impacts on the community of projects to facilitate dialogue, collaboration and partnership projects (no., type, dedicated resources, effects) including donations	359 tons of products donated; 334 tons to Feeding America and 1,414 tons to Banco Alimentare. Collaboration with the Castiglione delle Stiviere community	B	1,119 tons of products donated, including donations made to Banco Alimentare and Feeding America	B
General indicators	2008 results	Area	2009 results	Area
Impacts of business on infrastructures and services	None	B	None	B

Community - Education

Objectives to be achieved by 2014: ensure that the Giocampus project is recognized as an excellent educational project model and make it available to local and national enterprises and any other socially active parties

Indicators linked to the objective	2008 results	Area	2009 results	Area
Educational projects aimed at encouraging correct lifestyles (eating education and physical exercise) implemented in partnership with local institutions	Giocampus; 1..2..3..VIA Parma; 1..2..3..VIA Bari	C	Giocampus as an educational model covering the entire school year	C
Annual quality surveys on degree of satisfaction of participants in education projects and of the stakeholders located in the area involved	Degree of satisfaction between good and excellent awarded by the 15,000 participants of Giocampus	C	Degree of satisfaction between good and excellent awarded by the 2,549 parents of the children who participated in the summer camp	C
Results of epidemiological studies and/or other investigations on scientific protocol of implemented projects	Rebalance of relationship between energy available and that consumed during a typical day in the life of the children at Giocampus. Measurement of the positive effect of the activities on the health of the children at 1..2..3..VIA!	C	Stabilisation of the tendency to put on weight and slight decrease in obesity	C
General indicators	2008 results	Area	2009 results	Area
Principal evidence or improvements in behaviour that the projects implemented induced in the user	Results of Giocampus: 22% of the children do not eat breakfast 5 times per week	C	Results of Giocampus: increase in the number of children that regularly eat breakfast	C
No. of people involved in education projects	Giocampus: 150 educators, 2,800 children	C	Giocampus: 7,500 primary school students, of which 2,540 children between 5 and 14 in the summer camps, 350 primary school teachers and 300 between experts and educators	C
Publications and evidence at scientific conventions on epidemiological studies and/or other studies and investigations	Articles published in the scientific journal "Scandinavian journal of medicine & science in sports"	C	Graduate dissertation: "Physical exercise and nutritional choices of normal weight and overweight individuals". Articles: "Sedentary lifestyle in active children admitted to a summer sport school" and "Sport injuries prevention strategy in active children. The Giocampus Barilla experience", Acta Biomed journal	C

Stakeholder - Relations with stakeholders

Objectives to be achieved by 2014: consolidate practices that allow the effective involvement of all stakeholders in the processes to which they pertain. For this purpose at least two panels relating to the reporting process should be organized each year alongside other meetings relating to facts, projects, activities, which bearing direct or indirect consequences for one or more stakeholder categories require their prior intervention to secure their valuable participation in the process.

Indicators linked to the objective	2008 results	Area	2009 results	Area
Criteria and analysis procedures adopted to identify the stakeholders and results	Map of the stakeholders	C	Map of the stakeholders	C
No., content, (subjects, arguments, critical content), type (information, dialogue, involvement) of activities to manage stakeholder relations and the groups of stakeholders that took part	Reporting process. Involvement, dialogue and information activities. Employees, customers, (distribution), scientific community, suppliers, local communities, NGO's and associations	C	Sustainability Model and Sustainability Report. Involvement, dialogue and information activities. Focus on employees	C
Establishment of a consolidated and formalised methodology in respect of stakeholder management	Map of stakeholders as management tool	C	Map of stakeholders as management tool	C
Objectives to be achieved by 2014: subsequent to each meeting, demonstrate the way in which each contribution was tackled and any resulting actions.				
Indicators linked to the objective	2008 results	Area	2009 results	Area
Stakeholder groups involved in activities /total groups of stakeholders identified	66%	C	Constant percentages with focus on internal stakeholders	C
Actions implemented following involvement	Tables in the Report	C	The input received will be taken into account in the preparation of the next Sustainability Report	C

General indicators	2008 results	Area	2009 results	Area
No. of conflicts and type (attacks from opinion leaders, boycotting campaigns, asymmetries, etc.)	1	C	None	C
Tools used and number of actions carried out to resolve conflicts and the results achieved	Legal procedures	C	-	C
No. of unresolved conflicts/number of conflicts	1/1	C	-	C

Stakeholder - Innovative approach to reporting

Objectives to be achieved by 2014: adopt a single reporting model for the whole Barilla Group (including the foreign subsidiaries) that makes reference to the same KPIs and that systematically involves all stakeholders and encompasses the largest number possible of constructive comments.

Indicators linked to the objective	2008 results	Area	2009 results	Area
No. of subsidiaries (area) included in the report/total subsidiaries	9/10	B	9/10	B
% of indicators adopted by each group company/total indicators adopted for reporting purposes	Harry's (France) 52%, Harry's (Russia) 29%, Barilla (USA) 56%, Yemina e Vesta (Mexico) 38%, Wasa (Germany and Scandinavia) 56%, Wasa (Norway) 40%, Filiz (Turkey) 56%, Misko (Greece) 56%, Number1 (Italy) 60%	B	Harry's (France) 55%, Harry's (Russia) 35%, Barilla (USA) 62%, Yemina e Vesta (Mexico) 45%, Wasa (Germany and Scandinavia) 56%, Wasa (Norway) 46%, Filiz (Turkey) 56%, Misko (Greece) 56%, Number1 (Italy) 88%	B
No. and % of improvement recommendations arising from stakeholder involvement that have been actioned /total recommendations made	Tables in Report, 64 recommendations actioned	C	The recommendations gathered will be taken into account in the preparation of the 2010 Sustainability Report	C
No. and description of occasions where stakeholders were involved in the reporting process	Two Forums	C	Meetings with internal stakeholders	C
General indicators	2008 results	Area	2009 results	Area
% of positive feedback from stakeholders involved in relation to the reporting process followed and the document prepared	N.A.	C	N.A.	C
Reporting system adopted	GRI	B	-	B
No. and description of the categories of stakeholders involved in the process	10: associations, trade unions, trade associations, media, scientific community, local communities, customers, suppliers, employees, consumers	C	11: associations, trade unions, trade associations, media, scientific community, local communities, clients, suppliers, employees, consumers, institutions	C

LEGENDA

- Area A** Barilla Holding, holding company that controls Barilla GeR Fratelli and Lieken (Germany)
- Area B** Barilla GeR Fratelli, which groups the following brands and companies: Mulino Bianco (Italy), Pavese (Italy), Voiello (Italy), Academia Barilla (Italy), Alixir (Italy), Harry's (France), Harry's (Russia), Barilla (USA), Yemina e Vesta (Mexico), Wasa (Scandinavia, Germany), Number1 (Italy), Filiz (Turkey), Misko (Greece)
- Area C** Italy: Barilla GeR Fratelli excluding Harry's, Barilla (USA), Yemina e Vesta, Wasa, Filiz, Misko
- Area D** Barilla GeR Fratelli excluding Harry's Russia
- Area E** only semolina pasta supply chain (Italy)
- Area F** Barilla GeR Fratelli excluding Wasa (N), Harry's Russia, Yemina, Vesta, mills, Number1
- Area G** Barilla GeR Fratelli excluding Harry's, Yemina e Vesta
- Area H** Barilla GeR Fratelli excluding Harry's Russia and Harry's France
- Area I** Barilla GeR Fratelli excluding Harry's, Yemina e Vesta, Wasa, Filiz, Misko
- Area L** semolina pasta supply chain (Italy, Turkey, USA, Greece)
- N.A.** not available

BARILLA G. e R. Fratelli - Società per Azioni Sole Shareholder
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